

The Global Newspaper
Edited in Paris
Printed Simultaneously
in Paris, London, Zurich,
Hong Kong, Singapore,
The Hague and Marseille

WEATHER DATA APPEAR ON PAGE 22

No. 31,731

ZURICH, TUESDAY, FEBRUARY 26, 1985

ESTABLISHED 1887

INTERNATIONAL Herald Tribune

Published With The New York Times and The Washington Post

Subscription rates: 1985
U.S. and possessions: \$12.00 per year in advance
Canada, Mexico, Central America, Caribbean: \$15.00 per year in advance
Europe, Japan, Australia, New Zealand: \$20.00 per year in advance
Other countries: \$25.00 per year in advance
Single copies: 50c
Advertising rates: \$100.00 per line per week
Business rates: \$150.00 per line per week
Classified advertising: \$100.00 per line per week
Back issues: \$1.00 per copy
Second class postage paid at New York, N.Y.
Postmaster: Send address changes to THE HERALD TRIBUNE, 200 N. Zeeb Road, New York, N.Y. 10022-2197

Mubarak Asks Reagan to Convene Talks

Says Time Is Right to Invite Israel, Jordan and PLO Envoys to Meet in U.S.

By Judith Miller
New York Times Service

CAIRO — President Hosni Mubarak of Egypt has urged the Reagan administration to invite Israel and members of a joint Jordanian-Palestinian delegation to the United States to lay the groundwork for direct peace talks.

Mr. Mubarak said Sunday that he would be willing to act as host for such a meeting in Cairo, or to attend one anywhere agreeable to all parties.

"Why not?" he said. "We are ready to help."

The president said in an interview that he was encouraged by Israel's decision to withdraw from Lebanon but reiterated his position that more progress had to be made before Egypt would return its ambassador to Israel. The ambassador was withdrawn after the Israeli invasion of Lebanon in 1982.

Egypt recently sent an envoy to Bucharest to meet with Prime Minister Imre Nagy of Hungary, who visited Romania last week and will send another to meet with Mr. Nagy soon, Mr. Mubarak said.

(Developments created confusion over when an envoy might be



Hosni Mubarak

sent to Israel. Mr. Mubarak announced Monday that he would send Osama al-Baz, his chief foreign policy adviser, to Israel as soon as Monday night. Later, however, Mr. Baz said he was not going to Israel immediately.

[Mr. Baz said the president was "thinking" of sending him as an envoy but added that, "for the moment, I'm not going anywhere."]

In his interview Sunday, Mr. Mubarak praised the statement on a joint Middle East peace framework signed Feb. 11 by King Hussein of Jordan and Yasser Arafat, chairman of the Palestine Liberation Organization, as a "very good achievement" and emphasized that the agreement was "only a first step."

He stressed the need for direct talks between Israel and a Jordanian-Palestinian delegation, with or without Egypt.

Israel has refused to negotiate with the PLO. But Mr. Mubarak said that a Jordanian-Palestinian delegation did not necessarily have to include official members of the PLO.

"The PLO has lots of people who are pro-PLO on the West Bank," he said. "Let us be practical."

The Jordanian-PLO accord calls for peace talks under auspices of an international conference that would include the Soviet Union. But Mr. Mubarak said he favored direct talks first between Israel and the Jordanian-Palestinian delegation, with an international conference to come after an agreement had been negotiated.

"An international conference could be the last stage," he said, "as a blessing of the solution."

Both Israel and the United States have consistently opposed Soviet participation in Middle East peace talks.

Mr. Mubarak also maintained that the agreement between Jordan and the PLO meant the Palestinian group had accepted United Nations Resolution 242, which calls for the return of occupied territories by Israel in exchange for peace.

He urged the United States to disregard what appeared to be conflicting statements by PLO officials about the UN resolution. The United States has refused to recognize the PLO unless it accepts Resolution 242 and Israel's right to exist.

"The points on paper are a step forward," Mr. Mubarak said, referring to the Jordanian-PLO accord. "Let's concentrate on the agreement and not what is mentioned by various factions."

He took a similar view toward statements critical of the Jordanian-PLO accord by the Israeli foreign minister, Yitzhak Shamir.

Mr. Mubarak did not urge the United States to recognize the PLO or to put pressure on Israel, as he and other senior Egyptian officials have done previously. He repeatedly spoke of the need to be "practical."

In general, Mr. Mubarak avoided criticism of Mr. Pines. But he said that recent statements by Mr. Shamir and the minister of industry and commerce, Ariel Sharon, were "not helpful at all" to the cause of peace.

He complained, in particular, about recent statements by the two officials about the fate of Taba, a strip of land on the Gulf of Aqaba at the Sinai border that is claimed by both sides. He said it was "very important" to Egyptian national interests and to public opinion that Taba be given up by the Israelis.

Mr. Mubarak said he would press his views on these and other issues during a trip to Washington tentatively scheduled to begin March 8.

He said he would also urge the Reagan administration to lower the interest rate that Egypt is paying on its military debt. The rates that were negotiated several years ago are now "too high" given prevailing rates, he said.

It has previously been reported that Egypt owes \$250 million to \$300 million in interest payments on the debt.

Mr. Mubarak said he would also ask for increased economic assistance but did not offer any figures.

The Egyptian president made (Continued on Page 2, Col. 5)

U.S. Officials Say They Are Not Ready To Step In

By Bernard Gwertzman
New York Times Service

WASHINGTON — Reagan administration officials say they are encouraged by the revived interest in negotiations being expressed by Jordan, Egypt and Saudi Arabia.

But the officials said Sunday there had not yet been sufficient movement for the United States to begin a new Middle East peace initiative.

"At this time, we think this is still a process going on in the Arab world of defining the terms for negotiations and it is not time yet for the United States to be injecting itself into it," a senior State Department official said.

The official said that "we have many questions about the situation." He said the United States wanted to see Arab nations lining up behind King Hussein of Jordan and giving their blessing to his negotiating with Israel.

"We'd like to see our friends the Saudis say something positive about this," he said. In addition, he

Syria Vows to Block Mideast Accord

The Associated Press

DAMASCUS — The Syrian government vowed Monday to block an accord on Middle East talks reached by King Hussein of Jordan and Yasser Arafat, chairman of the Palestine Liberation Organization.

Syria's official press agency said that the cabinet, under Prime Minister Abdul Raouf al-Kassab, had decided to "make the felling of the Arafat-Hussein accord its official policy."

Syria, which disagrees with both Hussein and Mr. Arafat, has repeatedly said peace with Israel was impossible and has urged the Arabs to build up their armies and confront Israel.

It said, based on reports of disagreements among the leaders in the Palestine Liberation Organization, that "there is a good chance the PLO will back out."

The official said that Syria seemed opposed to negotiations with Israel and could probably make it very difficult for any talks to succeed unless the Saudis strongly supported them. That was not likely, he said, given the Saudis' reluctance to confront the Syrians.

"So let's wait a bit," he said, "and see how this works itself out in the Arab world."

He said the Arab statements were not concrete enough to encourage Prime Minister Shimon Peres to press the issue within Israel when his government is already occupied with economic reform and the withdrawal of its forces from Lebanon.

Meanwhile, several other officials said Sunday that Washington

was sensitive to the momentum that seemed to be building among Arab moderates to gain American backing for another effort at negotiations to bring about an end to Israeli occupation of the West Bank of the Jordan in return for peace.

Secretary of State George P. Shultz indicated last week that the administration might soon be willing to do more negotiating. He has been a prime architect of the administration's policy of avoiding a major American negotiating role in the Middle East before the Arabs are ready to sit down with Israel.

Mr. Shultz, testifying before the House Foreign Affairs Committee, said a number of Arab countries were "urging us to become involved with a high profile." He said the administration was "saying to them, 'Well, what are you going to do if we do?' and encouraging people to look at their own responsibilities for the peace process."

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Reagan Rejects Governors' Proposal, Says States Must Help Fight Deficit

By Milton Coleman
Washington Post Service

WASHINGTON — President Ronald Reagan met Monday with the nation's governors, but rejected their suggestions that he curb military spending, freeze Social Security benefit payments or raise taxes to help lower the U.S. budget deficit.

During a half-hour White House meeting with about 40 members of the bipartisan National Governors' Association, which is holding its annual winter conference, Mr. Reagan praised the governors for leading their states through the recession.

But he repeated his contention that the state governments, which have cumulative budget surpluses of about \$6 billion, are capable of absorbing further cuts in U.S. government aid.

Mr. Reagan said: "There's simply no justification, for example, for the federal government, which is running a deficit, to be borrowing money to be spent by state and municipal governments, some of which are now running surpluses."

"I ask particularly for your help and understanding, not as a Republican or a Democrat," he said, "but in the spirit of partnership and as one chief executive to another. I hope you can understand that these tough calls have to be made now at the federal level."

The governors contended that state budget surpluses are modest and could do little to help erase the federal budget deficit, projected to be about \$200 billion a year for the rest of the decade if no action is taken.

On Sunday, the association's executive committee passed a resolution urging Congress and the White House to make deeper cuts in military spending, freeze Social Security benefits and consider revenue increases to help balance the budget.

Governor John W. Carlin of Kansas, a Democrat who is chairman of the association, said Monday afternoon that the session with the president and his budget director, David A. Stockman, was "very disappointing."

"Collectively," Mr. Carlin said, "we [the governors] answered to questions [by Mr. Stockman] that it was absolutely clear that

revenue was not an item to be discussed, that Social Security adjustment was not an item to be discussed, and on the defense budget, they stood with their initial recommendation."

Governor Lamar Alexander of Tennessee, a Republican who is vice chairman of the association, called the meeting "good" and "helpful."

He and another Republican governor, George Deukmejian of California, suggested that the governors were out of line with their budget recommendations.

"The people in this country just 100 days ago voted for the candidate who said he was going to cut the deficit by cutting expenditures and not by increasing taxes, and he also said that we were to have a defense capability that was second

to none," Mr. Deukmejian said. "And so he overwhelmingly has the support of the American people to approach this task in that manner."

And Mr. Alexander said, "If I wanted to make up the federal budget, I would run for the Senate."

Besides a freeze on defense spending and Social Security increases, the resolution passed Sunday by the bipartisan executive committee also urged changes in major entitlement programs such as Medicare, farm price supports and retirement benefits.

It warned that even with such actions, "it may be necessary to increase revenues to reduce the structural deficit."

But three congressional leaders actively involved in developing legislation to cut the deficit said they were not convinced that the governors' proposals were realistic.

First, it has discredited the romantic myth that put Mr. Heston in a painful position, on his back, playing Michelangelo in the film version of Irving Stone's 1961 novel, "The Agony and the Ecstasy."

"It simply isn't true," said Fabrizio Mancinelli, curator of the Vatican Museums' Byzantine, medieval and modern art and director of the Sistine restoration project.

"Certainly Michelangelo was often in pain when he painted the Sistine ceiling," Mr. Mancinelli said. "He even wrote a poem describing how excruciating it was. But the agony probably came from standing on the tiptoes with his head craned back, which is how he depicted himself in a sketch that accompanied the poem."

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Representative William H. Gray 3d, chairman of the House Budget Committee, at the National Governors' Association meeting in Washington. Mr. Gray is flanked by Governors James R. Thompson of Illinois, left, and Richard L. Thornburgh of Pennsylvania.

Michelangelo Myths Die as Restorers Refurbish Sistine Chapel

By Don A. Schanche
Los Angeles Times Service

VATICAN CITY — The agony of Michelangelo lying painfully on a rickety scaffolding 65 feet (20 meters) above the marble floor to paint the ceiling of the Sistine Chapel has been celebrated for generations by poets, novelists and, more recently, by the actor Charlton Heston.

And the murky gray of the great artist's complex masterpiece led art scholars for at least two centuries to describe Michelangelo as a sculptor with a low regard for color.

But careful cleaning of the Sistine Chapel walls and ceiling, now about one-third complete after four years of labor, has put both myths to rest and turned up discoveries about Michelangelo's work that have startled art historians.

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images — sometimes the hairs of the brush remain in the plaster — makes the lunettes look like large colored sketches," Mr. Mancinelli said. "Each was executed in three days, and to understand the speed with which he painted, you must realize that each group measures about 7 feet at the base by 11 feet high, and most of the human figures in the lunettes are 7 feet tall."

The decision to proceed with the restoration was made four years ago. It has been hailed as one of the wisest and most courageous in the history of art restoration. But it was made almost by chance, according to Walter Peruggi, secretary and treasurer of the Vatican Museums, who made the decision with Carlo Pietrangeli, the director general of pontifical monuments.

"We were restoring the paintings of the popes that flank the windows beneath Michelangelo's lunettes and decided to clean a very small side of one of them," said Mr. Peruggi. "When we saw that the result was quite remarkable, we decided to go ahead."

The results have been a revelation for art scholars and for the hundreds of thousands of visitors who have continued to pass through the chapel.

The chapel has been closed to tourists only for brief periods in the last four years to permit scaffolding changes that allow the restorers to work out of sight of the visitors.

From their laborious and technically ingenious washing has emerged a brilliantly colored ring of strong figures representing Christ's ancestors as well as the prophets, sibyls and decorative bronze male nudes in the chapel's lunettes and spandrels, the areas between the ceiling and windows.

The boldness of color revealed by the restoration suggests that the immensely more complex ceiling fresco, which Mr. Colalucci and his colleagues have just begun to work on, may stand out like a sunburst when it is completed in 1988.

After that, the restorers will proceed to the great altar wall of the Sistine, where Michelangelo painted the Last Judgment almost 30 years after completing the ceiling and the lunettes.

The challenge for the restorers has been to dissolve the layers of dust, dirt, glue and smoke stains — from flaming torches used to illuminate the chapel in the years before electricity — without touching the fresco surfaces and harming Michelangelo's original colors.

Miners Step Up Return

3,807 Abandon Coal Strike, U.K. Board Says

By Bob Hagerty
International Herald Tribune

LONDON — Coal miners, despairing of a resolution of their 50-week-old strike, returned to work in record numbers Monday, the National Coal Board said.

The board said that 3,807 miners abandoned the strike, by far the largest daily return since the strike began in March 1984 in an attempt to block plans to close unprofitable mines.

The return increased the number of working miners to more than 91,000, or 49 percent of the work force, according to the board, which manages the state-owned industry. But production, the board said, is still only about a third of the normal level.

"The miners are voting with their feet," said a coal board spokesman in North Yorkshire.

"The men returning now will, in fact, be saving their industry from disaster," Peter Walker, the energy secretary, said of the board's report.

The National Union of Mineworkers disputes the figures, asserting that only about 36 percent of its members are working. But union leaders have begun talking about the need for a negotiated settlement rather than the prospect of victory.

The growing return to work comes amid disappointment over the failure of another attempt to resume negotiations, which have been broken off since last autumn. The union's leadership last week rejected a peace formula worked out between the government and leaders of the Trades Union Congress. The formula would have clearly stated the board's right to make the final decision on whether to close mines.

The government has said that it will not offer any further concessions and has seemed content to watch the strike crumble on its own.

The union has failed to win strong support from most other unions. Nor have the miners managed to disrupt industry enough to create power shortages, as they did in the successful 1974 strike, which helped bring down the government of Prime Minister Edward Heath. The government had large stocks of coal when the strike began and has been able to switch many power stations to fuel oil.

The union's recent reverses have stirred speculation that it might be reduced to leading its men back to work without an agreement rather than accepting a humiliating formula. Jack Taylor, president of the union's Yorkshire area, predicted Sunday that there would be "guerilla-style warfare" in the mines.

He and other union leaders remained defiant.

The union's president, Arthur (Continued on Page 2, Col. 5)

Army Assault Frees Bishop In Philippines

ZAMBOANGA, Philippines — An army assault team freed a Roman Catholic bishop and eight others Monday after a battle with a band of Muslim rebels in the southern Philippines, a military spokesman said.

He said Bishop Federico Escaler and his group, which included two nuns, were rescued after a 40-man commando squad raided a rebel camp on Mindanao Island, where the nine hostages had been held since Friday. A rebel was wounded but there were no other casualties, the spokesman said.

Bishop Escaler and his party were abducted by a group believed to be a breakaway faction of the secessionist Moro National Liberation Front. Two women in the group kidnapped Friday were released the same day.

Officials said they did not know the motive for the abductions and it was not known if there was a ransom demand.

General Accuses Board
A Filipino general demanded Monday a confrontation in court with the fact-finding board that linked him to the killing of Benigno S. Aquino Jr., The Associated Press reported from Manila.

Major General Prospero A. Olivas accused the board of crucifying him in public. "I would like to know why the police investigator suddenly became the accused," he said in court. General Olivas initially investigated the assassination.

General Olivas spoke as the trial resumed for 25 military men and one civilian on charges connected with the deaths of Mr. Aquino and Rolando Galman, the man the government says shot Mr. Aquino and then was killed by soldiers. Testimony began Friday.

General Olivas, General Fabian C. Ver, the armed forces chief, and six other military men are accused of a conspiracy in the August 1983 assassination. They face up to 40 years in prison if convicted. Seventeen other soldiers are accused as principals and one civilian as an accomplice in murdering Mr. (Continued on Page 2, Col. 6)

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An accused Norwegian spy said in court that he was sexually blackmailed by Russian agents. Page 5.

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The problem of functional illiteracy in the West. International Education. Page 9.

Israel Keeps Strict Controls on Lebanese Villages

SIDON, Lebanon — Israeli troops kept tight control Monday of roads in Shiite Muslim districts east of the southern Lebanese town of Tyre on the sixth day of an anti-guerrilla drive, security sources said.

Timor Goksel, spokesman for the United Nations peacekeeping force in southern Lebanon, said Israeli forces did not enter any villages and the area was very quiet.

However, the Israelis, who have sealed off the area from the rest of Lebanon, kept strict control of roads and few people ventured from the villages, the security sources said.

Ghassan Haidar, the Lebanese commissioner for the Tyre district, told officials in Sidon: "The situation has become tragic." He added: "The villagers are liv-

ing in a big prison. There is an acute shortage of food and fuel. Israeli troops are directing sniper fire at the villages. The health situation is deteriorating."

Lebanese security sources said Israeli troops besieged nine Shiite villages on Sunday. Mr. Goksel said the Israelis destroyed one house and damaged one in al-Ba-zouriyeh.

The Israeli Army stepped up a campaign against the villages Wednesday in reprisal for a wave of attacks believed to have been carried out by Shiites.

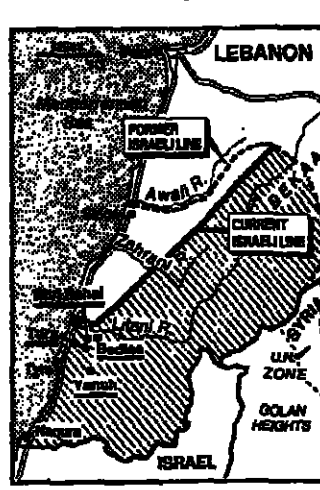
Israeli troops forced a British camera crew to stop filming at a southern Lebanon checkpoint on Monday by firing shots in their direction, United Press International reported.

[Ken Johnson, a cameraman for the British-owned UPTN network, said Israeli troops along the

Zahrani-Nabatiyeh road in southern Lebanon opened fire on him and his Lebanese soundman, Mohammed Haidar. Mr. Johnson said an Israeli soldier later "kicked Haidar several times in the backside." In Beirut, security sources reported minor clashes between militiamen of the mainstream Shiite Amal movement and Shiite fundamentalists of Hezbollah, or Party of God. The fighting took place overnight in the southern suburbs and parts of West Beirut.

The cause of the fighting, the first between the two groups for months, was not known. Amal sharply criticized an armed Hezbollah rally in Sidon last week at which liquor bottles were smashed in five shops and the Lebanese flag was burned.

Beirut Seeks UN Meeting
The Lebanese government asked



Tura, Burj Rahal, Bedias and Yanuh are said to be under siege in Lebanon.

its envoy at the United Nations on Monday to ask for a special meeting of the Security Council to discuss Israeli attacks and the siege of villages in southern Lebanon, Beirut radio said, according to a United Press International report.

Iran Will Release Iraqi Prisoners Injured in War

BAHRAIN — Iran and Iraq, criticized by a United Nations team for their treatment of Gulf war prisoners, say they are ready to set some of them free.

Prime Minister Mir Hussein Moussavi of Iran said Sunday that Iran would release all crippled and sick Iraqi prisoners unilaterally, but he gave no date. He said he hoped Iraq would reciprocate.

Iran holds about 50,000 prisoners-of-war and Iraq about 10,000, according to diplomats in the region.

In Baghdad, a Foreign Ministry spokesman said Sunday that Iraq was ready to implement an exchange of prisoners and other recommendations made by the UN team provided the Security Council agreed on a program binding both parties.

The three-member UN team, which visited camps in Iran and Iraq last month, said in a report published Friday that both sides treated prisoners harshly. It recommended prisoner exchanges and adherence to humane standards.

China's Li to Visit Burma

RANGOON, Burma — President Li Xianmin of China will pay a state visit to Burma early next month, the Foreign Office announced Monday.

Mubarak Urges U.S. To Convene Peace Talks

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these other points during the interview:

• He said he had urged President Ronald Reagan not to freeze aid to President Gaafar Nimeiri of the Sudan. He denied reports that Egypt had withdrawn an air defense unit from the Sudan to try to persuade Nimeiri to alter his policies. An Egyptian team of 25 technicians had been in the Sudan, he said, helping Khartoum modernize its air defenses and has returned to Egypt after its work was completed.

• He said the Libyan leader, Moammar Qadhafi, had offered him \$5 billion if Egypt would abandon the 1978 Camp David peace accords with Israel. "I told him that Egypt would never do this," Mr. Mubarak said, pointing his finger at his guests to emphasize his anger. "Egypt is not Libya," he said.

• He said he would encourage the United States to abandon its demand that Cuban troops be withdrawn from Angola as a condition for a settlement on South-West Africa, also known as Namibia.

• He expressed doubt that Syria could be induced to play a constructive role in the Middle East peace process.

• "Great Interest" in Proposal

Prime Minister Peres expressed "great interest" Monday in Mr. Mubarak's proposals for restarting the peace process. The Associated Press reported from Jerusalem.

"I read President Mubarak's statement with great interest," Mr. Peres said. "I think this statement deserves a careful and positive study. On the Israeli side, he will find a willing and constructive partner."

However, Mr. Peres restated Israel's longstanding objections to sitting at the negotiating table with members of the PLO, which Israel contends is a terrorist group dedicated to the destruction of the Jewish state.

Thousands Of Miners Go Back to Work

(Continued from Page 1)

Scargill, declared Sunday: "This union will not be beaten into submission," after leading thousands of miners, labor leaders and other protesters on a march from London's Hyde Park to Trafalgar Square.

The secretary of the union's Kent branch, Jack Collins, said Monday: "A very, very large number of miners will not return to work unless there is a proper, concrete agreement assuring their future."

However, Gavyn Davies, an economist at the London stockbrokerage of Simon & Coates, said: "The government's objective has been achieved."

He said the miners' union probably will not be able to come anywhere near imposing another national strike for years.

The government already has made significant concessions. For example, it agreed last autumn to accept an independent review procedure, which would give outsiders a chance at least to slow down closures on the ground of social considerations.

U.K. Rules Out Sanctions In Its South Africa Policy

LONDON — Britain's conservative government Monday ruled out economic sanctions to try to force white-ruled South Africa to change its apartheid policy.

The commonwealth secretary-general, Shridath Ramphal, last week called for international sanctions after South African police rounded up nearly all the leaders of the anti-apartheid United Democratic Front. The British Foreign Office minister, Malcolm Rifkind, summoned South Africa's ambassador in London, Denis Worrall, to express concern over the arrests. Asked afterward about Mr. Ramphal's call for sanctions, Mr. Rifkind said: "We don't believe they would work."



Bishop Federico Escaler

Army Assault Frees Bishop In Philippines

(Continued from Page 1)

Aquino and Mr. Galman, who the government claims was a Communist agent.

The three-judge court did not rule on General Olivas's demand that the four members of the board and its chief counsel be called as witnesses so they can be questioned about their finding that the assassination was a military conspiracy. The board members and lawyer had refused to testify, saying their testimony was not needed.

General Olivas, a lawyer who is defending himself, said the board should be made to explain the basis of its report, "after they crucified me in public through the media, after they have caused anguish to my family and almost destroyed my career."

In another move, the court threatened to cite Mr. Galman's mother, sister and two children for contempt for failing to answer a subpoena to testify in court.

The lawyer for the Galmans said his clients would not appear until the court ordered the military defendants locked up in a civilian jail. They are now in military custody.

Mr. Aquino was shot at the Manila airport as he arrived in the Philippines from three years of self-imposed exile in the United States.

Governors, Reagan Meet

(Continued from Page 1)

isolation to reduce the deficit told the governors that revenue increases are out of the question.

Robert J. Dole of Kansas, the leader of the majority Republicans in the Senate; Pete V. Domenici, a Republican of New Mexico who is chairman of the Senate Budget Committee, and Representative William H. Gray 3d of Pennsylvania, the chairman of the House Budget Committee, also emphasized that spending cuts suggested by the governors would be politically unpopular.

The full association was scheduled to vote on the resolution on Tuesday. On Sunday, many governors expressed dismay that federal officials appeared unable to find budget savings that would not lead to pressure on state budgets.

Governor Michael S. Dukakis of Massachusetts, a Democrat, noted that laws in 49 of the 50 states require balanced budgets at the beginning and end of each fiscal year. Mr. Dukakis asked his fellow governors whether the federal government's attempts to reduce the deficit were "tough compared to what some of you had to go through in the last two or three years?"

The federal government has "four years to do it," Mr. Dukakis said. "We had to do it in one year. Most of us did it in four or five months."

He said that most governors had imposed freezes, increased tax collections and even raised taxes to stem their states' through recession and reductions in federal aid. "And these guys tell us it's painful and excruciating and, 'Oh, it's so difficult,'" Mr. Dukakis said. "It takes guts and it takes will."

Saudi Ship Sinking Off Italy

BRINDISI, Italy — A crewman was killed and two others were missing after the cargo on a Saudi Arabian freighter, the Sheikh Ali, shifted in rough seas Monday and it began sinking about 20 miles (32 kilometers) off the southern Adriatic coast, officials said.

The freighter was carrying 1,000 tons of cargo, including 100 tons of oil. The ship was last seen on Sunday night. The Italian Navy is searching for the ship and its crew.

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WORLD BRIEFS

6 Die in Pakistani Election Violence

ISLAMABAD, Pakistan (Reuters) — Six persons were killed and more than 40 were injured Monday in clashes between rival groups in Pakistan's first national elections since 1977, police said.

Witnesses said that more than 30 persons opposed to the elections, which political parties were barred from contesting, were arrested in protests against the government of General Zia ul-Haq. About 15 persons were arrested in Lahore, including Asif Fasihuddin Vardag, secretary-general of the Tehrik-i-Istiqal Party, or Solidarity Party, the witnesses said.

About 1,100 candidates, running without party affiliations, are contesting 217 seats in the National Assembly in the first elections since the armed forces toppled the country's elected prime minister, Zulfikar Ali Bhutto, eight years ago.

EC Meets to Resolve Farm Surpluses

BRUSSELS (Reuters) — Agriculture ministers of the European Community met Monday to try and resolve disputes over plans to reduce the community's wine and milk surpluses.

Diplomats said proposals from the new executive commission for price cuts or freezes on most products have left the 10 ministers more deeply divided than ever and could lead to one of the fiercest annual reviews in EC history. "It is going to get very rough this year," a diplomat said, adding that the final outcome might not be known until June.

Community sources said Agriculture Commissioner Frans Andriessen considered Monday's meeting crucial since it would indicate the resolve of the ministers to bring the group's farm spending under control. A plan to cut the community's costly dairy surplus by penalizing farmers who breached production targets was introduced last year after months of dispute. But only West Germany has complied with the plan.

Qadhafi Urges Black Revolt in U.S.

CHICAGO (AP) — Colonel Moammar Qadhafi, Libya's leader, has told a Nation of Islam convention that to escape oppression, black citizens of the United States must form an army to destroy the country and create an independent state.

Colonel Qadhafi said Sunday in a 40-minute speech broadcast via satellite from Libya to the Nation of Islam's 1985 International Savior's Day Convention, "We are ready to give you arms because your cause is a just cause."

The Reverend Louis Farrakhan, whose 10,000 followers are one faction of the Black Muslim movement in the United States, told those attending the convention, "It would be an act of mercy to end the white man's world because your world is killing you and us and all of humanity."

Khmer Rouge Report Raid on Towns

BANGKOK (AFP) — Khmer Rouge guerrillas said Monday that they had raided two towns in eastern Cambodia last week, killing 81 Vietnamese soldiers and wounding another 89.

The Khmer Rouge radio, monitored in Bangkok, said the pro-Chinese guerrillas attacked Lomphat, provincial capital of Ratanakiri, near the border with Vietnam, on Feb. 19. It said they destroyed the provincial office hall, the Vietnamese command post, and a large military supply depot, seizing many weapons. Forty Vietnamese soldiers were killed and another 52 wounded in the fighting, the radio said. There was no independent confirmation of the report.

On Feb. 18, the Khmer Rouge "liberated" a district town identified as Dambai in Kompong Cham province, east of the Cambodian capital, Phnom Penh, killing 41 and wounding 37 Vietnamese troops, the radio said. The Khmer Rouge have recently lost their main base near the Thai border and are said to have dispersed into Cambodia's interior to attack Vietnamese supply lines and rear positions.

Union Carbide Vows to Fight Charges

CHARLESTON, West Virginia (AP) — Union Carbide Corp. will "fight right to the end" any legal attempts to prove the company negligent in the poison gas leak at a plant in Bhopal, India, that left more than 2,000 people dead, the company's chairman says.

Warren M. Anderson, the chairman, said a negotiated settlement of claims against the company, rather than a prolonged court battle to prove the company criminally liable, would be in the best interest of the victims. Attorneys have filed billions of dollars in lawsuits against Union Carbide, many claiming the company was negligent.

"We've said right from the start that the proper answer for the people if you have any compassion for them at all is not to go through a litigation of liability," Mr. Anderson said Sunday in a newspaper interview. "I don't know of any kind of issue, class-action issue, that wasn't solved by compensation arrived at through a compromise, sooner or later. So why wait for later?"

Ulster Nationalist Politician Assailed

BELFAST (UPI) — John Hume, the leader of the Social Democrat and Labor Party, was criticized on all political fronts Monday for his unsuccessful attempt to meet with IRA leaders during the weekend. Protestant-Unionist politicians said he had closed the door on any future talks with them.

James Moynihan, leader of the Official Unionist Party, called Mr. Hume's attempted meeting with the IRA a "judicious escape." Mr. Hume, whose party represents moderate Catholic-nationalist voters, said he arranged the meeting to try to talk the IRA out of their violent campaign to drive the British from the province and reunite Ireland.

Mr. Hume went to a meeting with IRA guerrillas Friday evening at a secret location that IRA sources said was in the Irish republic. The meeting, which the IRA postponed for 24 hours while holding Mr. Hume in the interim, ended after three minutes when he refused to allow the meeting to be videotaped.

Meanwhile, the Irish National Liberation Army, a leftist offshoot of the IRA, claimed responsibility for Northern Ireland's latest killing Sunday evening. The killing was the eighth in seven days.

For the Record

Four guerrillas of the banned Communist Party of Malaysia were killed and eight Thai soldiers were wounded in a clash in southern Thailand Sunday. Thai Army officials said Monday in Bangkok.

Yugoslav prison authorities have held Vladimir Seks, an attorney who has defended dissidents, for nine days without informing his family or his lawyer, according to a statement from his wife received Monday in Belgrade.

The evacuation of 500 Nigerian migrant workers from Equatorial Guinea who are said by the Lagos authorities to have been used as slaves on cocoa plantations has been delayed, sources said Monday. The workers could not be found when four Nigerian planes and two ships arrived in Malabo to collect them last week.

Ministers from the Organization of African Unity began nine days of talks Monday in Addis Ababa, Ethiopia, as a prelude to a meeting of OAU leaders later this year.

Edwin Meese 3d was sworn in as U.S. attorney general at the White House on Monday. He succeeds William French Smith.

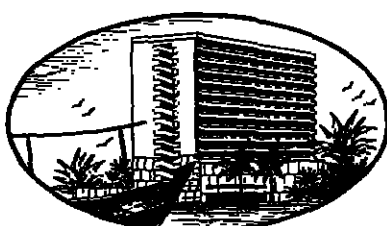
A permit allowing New York state to begin building Westway, the long-delayed highway project along the west side of Manhattan, was issued Monday by the Army Corps of Engineers. The project was first proposed 11 years ago.

Herald Tribune

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Statement by the Ministry of Foreign Affairs and Defense
of the Turkish Republic of Northern Cyprus.

CYPRUS: A BRIDGE OF CO-OPERATION

The summit meeting held in New York on January 17-20, 1985 between the leaders of the two Cypriot communities has once again brought the 21-year-old Cyprus question to the foreground of international politics.

What are the problems confronting this beautiful, Eastern Mediterranean island, which is situated at the cross-roads of old civilisations, at the center of the fertile crescent, and why have they defied a solution for so long?

The island of Cyprus, the third largest in the Mediterranean, has been co-habited by Turkish and Greek Cypriot peoples for centuries who, together made up nearly the whole population of Cyprus.

Under the Ottoman Turkish rule, which had started in 1571 and lasted for more than three centuries, relations between the Muslim Turks and Orthodox-Christian Greeks were friendly and cordial, although each community preserved its own distinct national and cultural identity.

When the administration of Cyprus was passed on to Britain in the late 19th century, the Greek Cypriots, under the influence of the rise of Greek nationalism at the turn of that century, started a campaign of agitation for the annexation of the island to Greece—a movement known by the term "Enosis" (Union with Greece). No word can probably better sum up or symbolize the essence of the Cyprus problem, than this term.

To the Greek Cypriots, Enosis meant integration of Cyprus into a greater Greek state and the realization of the national dream (known as "Megali idea"). To the Turkish Cypriots, it meant their absorption into an alien culture and their ultimate elimination. Justifying Turkish Cypriot fears in this respect, was the tragedy that had previously befallen the Turks of Crete who had been massacred en masse or thrown out of the country, upon the island's annexation to Greece.

Out of the conflicting demands and aspirations of the two Cypriot communities, was born the independent, bi-national republic of Cyprus in 1960, as a compromise solution. The independence of Cyprus was guaranteed by Turkey, Greece and the United Kingdom, the former colonial power.

However, the solution found was short-lived, since it fell far short of satisfying the national goal of the Greek Cypriots, of union with Greece. They staged a virtual coup against the independence of Cyprus and the 1960 settlement in December 1963, in order to destroy the bi-national republic, create a Greek Cypriot one in its place and unite it with Greece, over the dead bodies of the Turkish Cypriots.

The years between 1963-1974 witnessed unprecedented violence and cruelty committed against the Turkish Cypriots by the numerically superior Greek Cypriot community, in a manner most unworthy of the culture which the Greek Cypriots claim to have inherited.

In a spirit of the Crusades of the Middle Ages, they attacked and destroyed 103 Turkish Cypriot villages all across the island, killing or uprooting their inhabitants, usurped all constitutional and fundamental human rights of the Turkish Cypriots, and forced them to live in small scattered enclaves which corresponded to only about 3% of the island's territory.

The object, as it had always been, was the removal of the Turkish Cypriot impediment to the union of Cyprus with Greece. The "Enosis" campaign of the Greek Cypriots culminated in the coup d'etat of July 15, 1974, organized by the junta in Greece, which had been virtually occupying Cyprus in violation of international agreements since 1963 at the "invitation" of Archbishop Makarios who was proclaiming that the island was now Greece herself. The coup, which was aimed at achieving Enosis on an immediate basis, meant a change of leadership on the Greek Cypriot side for the worse, and brought the island only one stroke away from annexation to Greece.

Had it not been for the timely intervention of Turkey, in accordance with the Treaty of Guarantee of 1960, the Turkish Cypriots would have been finally and effectively suppressed, and the island would have long become a colony of Greece. The legitimate and justified Turkish intervention saved the independence of Cyprus and its Turkish Cypriot component from final destruction and laid the foundation for a solution of the Cyprus problem on a just, realistic and long-term basis.

That such a solution can only be the re-establishment of the bi-national partnership republic on a bi-zonal federal basis, enabling the two communities to live side-by-side without giving anybody the opportunity to repeat the mistakes and tragedies of the past, is a fact acknowledged by all concerned. In fact, it was in awareness of the bitter memories of the past that the two communities had agreed, at top-level negotiations between the two sides under the auspices of the U.N. Secretary General both in 1977 and 1979, to reconcile their differences within the framework of an independent, bi-national, bi-zonal federal republic. The Turkish Cypriot side certainly stands by these agreements and views with regret the Greek Cypriot side's refusal to honour and implement them.

The high-level meeting which took place in New York on January 17-20, 1985, between President Rauf Denktas and Mr. Spyros Kyprianou, under the auspices of the U.N. Secretary General, came at the end of a series of negotiations, which have been going on, intermittently, since 1975. If it failed to open the way to bi-lateral negotiations which would lead to a final solution, it is because the Greek Cypriot side refused to honour the basic elements of the draft agreement presented to the high-level meeting by the Secretary-General, for conclusion and signature, such as the bi-nationality of the Federation to be formed, the equal political status of the Turkish Cypriot community in the Federation to be established, and the effective guarantee of Turkey in order to protect the security of the Turkish Cypriot people.

Instead, the Greek Cypriot side attempted to re-negotiate every single fundamental element of the Secretary-General's draft agreement, which had already been negotiated between the two sides through contacts and three rounds of "proximity talks" over a period of 5 months, carried out by U.N. officials. During these talks, the Turkish Cypriot side had fully cooperated with the Secretary-General and made utmost sacrifices, in the interest of a solution, going as far as it could on the federal, constitutional, executive and territorial aspects of the question.

This constructive attitude of the Turkish Cypriot side, which was also reflected in its acceptance in toto of the draft agreement prepared by the Secretary-General, and presented to the parties as an "integrated whole", has drawn the high praise of the international news media, diplomatic circles and the Secretary-General himself.

An historic opportunity has unfortunately been lost due to the unsuccessful conclusion of the New York Summit, and it now remains for the Greek Cypriot side to re-evaluate its unreasonable position of insisting on a Greek-dominated Cyprus, rather than a bi-national one based on the peaceful co-existence of the Turkish Cypriot communities. Otherwise, we will never succeed in turning Cyprus into the bridge of co-operation between two peoples and two cultures, which it deserves to be.

Reagan Gets Democratic Aid in House On Tax Plan

By Anne Swanson
Washington Post Service

WASHINGTON — Representative Dan Rostenkowski, the chairman of the House Ways and Means Committee, says he will cooperate with the administration in moving a tax-simplification bill through his committee.

Mr. Rostenkowski's decision, which he planned to announce in a speech Monday night to the New York Economics Club, is a boost to President Ronald Reagan's hopes for bipartisan cooperation on legislation to simplify the tax code.

"I would like very much to see a Ways and Means product in cooperation with Treasury and the House Democratic and Republican leadership," Mr. Rostenkowski, an Illinois Democrat, said Sunday.

"I'd like to see us do a good job of tax reform or simplification, and I'd like ultimately to have my committee considered the tax-writing committee rather than the revenue-raising committee."

Mr. Rostenkowski's decision came as a surprise. Since he took over the House tax-writing committee in 1981, he has not been known as an activist chairman. There were suggestions that he was biding his time, waiting to try for a leadership post.

When the Treasury Department proposed its tax-simplification plan last November, Mr. Rostenkowski endorsed the general idea of revision but said presidential leadership was needed to pass it.

Now, friends say, he has decided that tax simplification should not be abandoned to the Republicans and might be a good issue to have associated with his name.

The Treasury plan would reduce tax rates dramatically and do away

U.S. High Court Rejects Appeal of Union Figure

The Associated Press

WASHINGTON — The Supreme Court cleared the way Monday for the imprisonment of Roy L. Williams, a former president of the Teamsters union, and two others for conspiring to bribe former Senator Howard W. Cannon, Democrat of Nevada.

The court, without comment, refused to hear arguments that federal prosecutors unlawfully used FBI wiretap evidence in the case. Mr. Williams, who will be 70 on March 22, was convicted in December 1982 and sentenced to 55 years in prison.



Dan Rostenkowski

with many deductions and credits for individuals and businesses, leaving a "revenue-neutral" bill, balanced between tax cuts and tax increases.

It is opposed by many special interests that would lose preferences that they consider crucial.

Another reason for Mr. Rostenkowski's shift comes from his cordial relations with Treasury Secretary James A. Baker 3d, associates say.

It was after a meeting with Mr. Baker that Mr. Rostenkowski announced that the Ways and Means panel would hold hearings on tax simplification Feb. 27, with Mr. Baker as the sole witness.

Mr. Rostenkowski's cordial relationship with Mr. Baker, sources say, contrasts to his feelings about Donald T. Regan, who was Treasury secretary during the bitter battle over the 1981 tax cut that the Democrats lost.

The panel chairman "thinks the 1981 bill created an image problem that still hasn't been dispelled," said a Democratic member of the Ways and Means Committee.

Mr. Rostenkowski said Sunday that he had good relations with Mr. Regan and did not want to criticize him. But, he said, "I never felt that Regan was much in charge, and I guess that's because the office at 1600 Pennsylvania Avenue was running all the shows. And so you have Jim Baker, [with] a lot of the experience he grasped at 1600, over at Treasury."

White House officials say they hope that Mr. Rostenkowski will be a "broker" as simplification moves through the legislative process, because he appears to have good working relations with all parties and does not have a vested interest in any particular plan.

He was expected to emphasize in Monday night's speech that tax simplification can only pass if President Reagan pushes hard and that it must be considered as a package with no preferences excluded. He also was to argue that many current tax breaks were worthy in their time, but have gone too far.

Atomic Waste: U.S. Disposers Want to Share Burden

By Matthew L. Wald
New York Times Service

BARNWELL, South Carolina — A forklift operator carefully unloads barrels and crates from the back of a truck, keeping his body away from the containers.

He stacks them neatly on the bottom of a trench as technicians and inspectors from the state, armed with radiation detectors, look on.

A computer records the exact location of each container, and a \$5-million laboratory nearby processes thousands of water, air and soil samples each year. The monitoring will continue for two centuries.

"It's high-tech disposal," said Dr. John J. Stucker, a special assistant to Governor Richard Riley. Dr. Stucker, like other state officials, has nothing but praise for the way Chem-Nuclear Systems Inc. runs the Barnwell facility.

Nevertheless, the state wants to close it within a few years and sharply curtail its operations as soon as possible.

The facility here, a similar operation in Hanford, Washington, and a smaller site in Nevada are the focus of a national debate on the disposal of low-level radioactive waste.

The material, which cannot be reprocessed, includes everything from gloves used by reactor workers to the waste by-products from

the manufacture and use of radioactive substances in medicine.

The site has had no major accidents since it opened, and only one small leak, in which tritium, a radioactive form of water produced in reactors, leaked from its packaging.

The leak was quickly discovered and contained, and the state has since instituted a rule that all liquid wastes must be solidified, usually by mixing with concrete, before shipment to Barnwell.

About a dozen trucks, carrying waste from much of the United States, arrive every day at the facility, which opened in 1969 and which now contains about 16 million cubic feet (480,000 cubic meters) of waste. The site, which once handled 80 percent of American low-level waste, now accepts about 45 percent. Officials in South Carolina believe the state has carried too much responsibility for this waste for too long.

At the urging of South Carolina, Washington and Nevada, Congress in 1980 passed the Low Level Radioactive Waste Policy Act, which gave the 50 states the responsibility for establishing new disposal sites.

The states were told that if they made waste-handling compact among themselves, they could exclude waste from nonparticipating states from their sites, beginning next January. Congress envisioned the establishment of about a dozen

sites like Barnwell around the country.

But so far, no new sites are near establishment, and several of the biggest waste generators, including Massachusetts, New York and Pennsylvania, have not approved plans for compacts. Officials from those states are pressing Congress to withhold approval of the eight-state Southeastern Compact, which would use Barnwell, and the Northwest Compact, formed around Hanford, so that the rest of the country will not be excluded from these sites.

In the South Carolina legislature in Columbia, this request has prompted calls for retaliation. "Enough is enough and fair is fair," said state Representative Harriet Keyserling, the co-sponsor of a bill that would shut Barnwell entirely if Congress does not approve the Southeastern Compact.

South Carolina is also home to another facility at which nuclear wastes are stored. The U.S. Energy Department's Savannah River Plant, where components for nuclear weapons are made, stores the high-level waste it has generated and continues to generate.

Mrs. Keyserling said in an interview: "If there are risks, they ought to be shared."

Dr. Stucker said the Barnwell site "cannot provide disposal for the whole country in perpetuity." The state's goal, he said, is "assuming some control of our des-

tiny, and assuring capacity for ourselves." South Carolina produces about 10 percent of the nation's low-level waste, most of it from five civilian nuclear reactors.

That idea of closing the site gets mixed reviews in the city of Barnwell. "I really consider it the best industry we have," said Rodman Lemon, the mayor since 1970. The waste depository "provides jobs, and it's as clean as can be," he said. It employs 260, and has an annual budget of \$13 million, much of it spent locally.

Mr. Lemon said he would like to see it take in all the nation's low-level waste.

Neither is the state complaining about the facility.

"I think the company has in some instances done more than we have required," said Heyward G. Shenley, chief of the Bureau of Radiological Health. Mr. Shenley's department licenses the site, limits the kinds of wastes that can be buried, inspects operations, and, along with Chem-Nuclear, takes environmental samples.

When the site closes, control will pass to the state.

A "perpetual care" trust fund of \$15 million has been collected, and it is growing with contributions of \$2.50 per cubic foot of waste.

"If all the experts are right, it won't be a burden," said Dr. Stucker.

The materials buried here lose their radioactivity over varying pe-

riods, but nearly all will be inert in 300 years and will have lost most of their activity long before that.

Chem-Nuclear is experimenting with growing shallow-rooted Christmas trees over filled-in trenches, as a cash crop for the state.

Both the state and the company agree that the Barnwell site is not a dump.

"It's a controlled facility," said M.G. Garner, a spokesman in the Columbia headquarters of the company, which is a subsidiary of Waste Management Inc. of Oakbrook, Illinois.

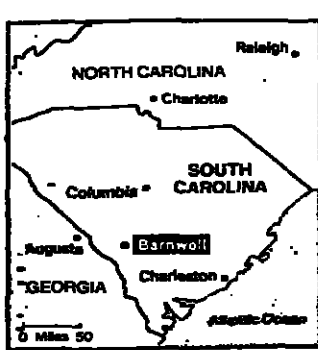
"I defy you to find something 'dumped,'" said John Zawacki, the general manager of the facility.

He said the site has become a model for repositories elsewhere. Recent visitors include representatives from Pennsylvania, Texas, California and South Dakota.

The operation is carried out with considerable precision. The trenches, in a clay that is largely impermeable to water, are dug with sharp edges and are precisely graded at the bottom so that rainwater entering while the trench is open, or penetrating the clay cap after it is finished, can be pumped out. Wells monitor the water in the sandy soil under the clay.

After a trench is covered, the radiation level at the surface is no higher than levels of radiation that occur naturally in the area.

The shape of the trench and pre-



Low-level radioactive waste is sent to Barnwell, South Carolina, for disposal.

cise method of disposal depends on the material. In the trench designated for the least-contaminated material, 1,000 feet long, 100 feet wide and 22 feet deep, (303 meters by 30.3 meters by 6.7 meters) workers position metal boxes that looked like small trash dumpsters, filled with 1,000 pounds (450 kilograms) of soil and, according to the labels, less than one-tenth of a gram of uranium.

In a narrower, deeper trench nearby that will eventually be covered with 6 inches (about 15 centimeters) of concrete as a shield against inadvertent intrusion, technicians often bury metal parts taken from the inside of reactors that, unshielded, could provide a lethal dose of radiation. Even in their shielded cases, they emit some gamma rays, and workers use a construction crane to avoid getting too close.

NASA Assails Air Force Plan to Use Missiles Instead of Shuttle

By Thomas O'Toole
Washington Post Service

WASHINGTON — The head of NASA has criticized the air force and the National Oceanic and Atmospheric Administration for a plan to launch some satellites aboard surplus missiles rather than on the space shuttle.

"I don't want to suggest that anything dark is going on here, but some people think this whole affair may be a heavy-handed scheme by the air force to give the shuttle a black eye," said James M. Beggs, the administrator of the National Aeronautics and Space Administration. "You know, the old syndrome that if it wasn't invented here, it can't be all that good."

"I don't like it," Mr. Beggs said in an interview. "It is not good for our short-term future and makes it that much more difficult for us to get on an even footing in the next five years."

Using missiles rather than the shuttle for those satellites will cost NASA more than \$500 million in lost business, he said.

At the heart of the dispute is an air force decision to use refurbished



James M. Beggs

and redeveloped Titan-2 intercontinental ballistic missiles to launch up to 12 air force satellites and three National Oceanic and Atmospheric Administration satellites that NASA had assumed would be flying on its shuttle.

Mr. Beggs said he had long assumed that the oceanic and atmospheric administration and the air

force were committed to using the shuttle, although no formal agreement had been signed.

"I'm not worried about the long-term effects of this decision because there's a limit on the number of Titan-2s they have to move in on our business," Mr. Beggs said. "What bothers me is that they decided to move in on us in the first place. It doesn't help NASA any."

The air force last year decided to decommission its 51 remaining Titan-2s after an accident in 1982 destroyed one of them in its silo in Arkansas. The air force has removed 23 of the missiles from silos in Arkansas, Kansas and Arizona and sent them to Norton Air Force Base in San Bernardino, California, for storage.

When oceanic and atmospheric heard about the air force move, its acting administrator, Anthony J. Calio, a former NASA official, contacted the air force about launching three advanced weather satellites called Metsat into polar orbit over the next seven years.

"The air force has offered me a deal that's going to save me \$90 million, and I'm going to take it,"

Mr. Calio said. "This agency has a budget of \$1 billion a year, so we're talking about 10 percent of our annual budget. This is strictly a business deal and nothing more than that."

Mr. Beggs said that he did not think that the agency would save that much. He also said that the air force was going to bear the refurbishment cost to redevelop the Titan-2, a cost that Mr. Beggs said could reach \$100 million.

Mr. Beggs said he believed there would be a savings for the oceanic and atmospheric administration and "a net loss to the U.S. Treasury."

"I think this whole scheme should be looked at very carefully by the administration and by Congress," Mr. Beggs said.

The NASA official said that he was concerned that the air force plan could set a dangerous precedent.

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Oslo Says Spy Suspect Told of Being Blackmailed

OSLO — The prosecutor in the espionage trial of Arne Treholt said Monday that the former diplomat told of being sexually blackmailed into providing nuclear and other military secrets from Norway to NATO agents of the Soviet Union.

Mr. Treholt, who had been the spokesman in the Ministry for Foreign Affairs, told interrogators that he attended a private party in Moscow in 1975 that turned into an "orgy," according to the prosecutor, Lars Qvigstad. Mr. Treholt said that he was confronted later with photographs by a Soviet agent who demanded to know his access to secret material, the prosecutor said.

In his first presentation in the opening sessions of Mr. Treholt's trial Monday, Mr. Qvigstad outlined a long series of contacts after 1975 between Mr. Treholt and Soviet agents.

He said many details of Mr. Treholt's work for the Soviet Union were too sensitive to be disclosed in court. Mr. Treholt was accused of providing the Soviet Union with secrets that included NATO nuclear strategies.

Mr. Qvigstad described exchanges of documents in Oslo and New York restaurants, in the delegates' lounge and library of the United Nations and in a jogging park near Oslo.

In earlier testimony Monday, Mr. Treholt had denied that he had violated Norwegian security laws. Mr. Treholt was accused of giving Soviet agents details of Norwegian and North Atlantic Treaty Organization air defense and warning systems, as well as reports on the defense of Norway's remote border with the Soviet Union.

He also was accused of revealing Western intelligence on the Middle East and Afghanistan to Iraq and the Russians and of disclosing contents of talks with Henry A. Kissinger, who was the U.S. secretary of state; Helmut Schmidt, who was



Arne Treholt, left, talking with one of his lawyers, Andreas Arutzen, before his trial began.

the West German chancellor, and other ranking Western officials during a 10-year period.

The charges, made public for the first time Monday, were included in a 15-page list read at the opening of Mr. Treholt's trial.

Mr. Treholt, 42, once considered one of the country's fastest rising diplomats, said: "I never revealed anything referring to the security of the country in the points referred to in the indictment."

He has been in custody since his arrest at Oslo's airport on Jan. 20, 1984. The police said he was preparing to leave Norway with 66 NATO and other documents intended for Soviet agents in Vienna.

Mr. Treholt was charged with violations of both civilian and military security laws that could bring a prison term of 20 years.

Norwegian newspapers have quoted him as saying in a letter smuggled out of prison that he was not a spy but an "unorthodox diplomat" trying to improve Soviet understanding of Norwegian national interests.

Among the items that Mr. Treholt was charged with passing to either the Soviet Union or Iraq were:

- NATO strategies regarding the use of nuclear weapons, including the point at which they might be introduced into an East-West military conflict.

- Details of Norway's land, sea and air defenses in the Arctic Norwegian-Soviet border area, which constitutes NATO's northern flank.

- Secret information on Norway's arrangements to prepos-

tioned military supplies for use by NATO if they had to be called for help in an international crisis.

- Details of the organization and operation of Norwegian military intelligence and its targets.

- Classified information on Norwegian and NATO theories about where and how the Soviet Union would have to make its northern attacks in an East-West conflict, what responses could be made and the weaknesses and problems facing allied forces.

- Western assessments of the Iran-Iraq war, of Israeli and Syrian military arrangements in Lebanon and of Soviet forces in Afghanistan.

- Confidential accounts of meetings in 1976, 1979 and 1981 between Norwegian officials and Mr. Kissinger, Mr. Schmidt, Pierre Elliott Trudeau, who was prime minister of Canada; Lord Carrington, who was prime minister of Britain; and others.

- An account of a 1981 conversation between a Norwegian official and Lawrence S. Eagleburger, then assistant U.S. secretary of state, on U.S. negotiating positions on NATO's long-range nuclear forces.

Police charged that Mr. Treholt had been in contact with Soviet intelligence officers since 1974 and had passed secrets to them both in Europe and in the United States.

In addition, officials said he had admitted taking \$50,000 from Iraqi agents to whom he had also supplied information.

Mr. Treholt was once an aide in Norwegian-Soviet border area talks that involved sensitive areas of the Barents Sea.

He served as a member of Norway's mission to the United Nations from 1979 to 1982, a period when his family contends he was under surveillance by the FBI.

From late 1982 to early 1983, he was chosen to attend Norway's National Defense College, where he would have been briefed on secret military matters. When he was arrested, Mr. Treholt was the newly named head of the Ministry of Foreign Affairs press office.



Lydia Gromyko received a bouquet from a boy after she and her husband, Andrei A. Gromyko, second from right, arrived in Rome. At right is Giulio Andreotti, the Italian foreign minister, and in the center Nikolai Lomkov, the Soviet ambassador to Italy.

Gromyko, in Rome for Talks, to Meet Pope

ROME — Andrei A. Gromyko, the Soviet foreign minister, arrived Monday for meetings with Italian leaders and Pope John Paul II on his first visit to Italy since 1979, when Italy angered Moscow by agreeing to install 112 NATO cruise missiles in Sicily.

The Vatican announced shortly after Mr. Gromyko's arrival that the pontiff would interrupt his Lenten retreat to receive the Soviet diplomat Wednesday morning. A spokesman said that the audience would be a "tête-à-tête."

Mr. Gromyko, making his sixth visit to Rome in 19 years, was scheduled to begin talks Tuesday

with Prime Minister Bettino Craxi and the Italian foreign minister, Giulio Andreotti. The discussions are expected to center on East-West relations, especially on the reopening of U.S.-Soviet nuclear arms talks in Geneva on March 12 and strong Soviet opposition to President Ronald Reagan's space defense plans.

Mr. Gromyko's last official visit to Italy was in January 1979, 11 months before NATO decided to deploy cruise and Pershing-2 missiles in Western Europe to counter the threat of Soviet SS-20s. Italy is deploying 112 cruise missiles at Comiso, Sicily.

Mr. Gromyko is also scheduled to meet President Sandro Pertini.

Arizona Water Project Has California Scrambling for Sources

By Iver Peterson
New York Times Service

DENVER — Late this year the big pumps of the Central Arizona Project will start to spin, sending a river of water over mountain and desert to Phoenix. With the first rush of water, a new age in the long history of the Colorado River's nurturing of the dry Southwest will begin, and the states in its basin are already scrambling to meet the change.

The project will give Arizona the water it has long been entitled to by law but could not use until the construction of the multibillion-dollar network of pumps, dams and canals. In the meantime, Arizona's share of the lower Colorado's water has been taken by Southern California farms and cities, and their impending loss of water has prompted a search for new sources.

A Colorado company, for example, has proposed selling water from the upper reaches of the river to San Diego, California. Elsewhere, the growing shortage of cheap water has set off similar bidding among cities and utilities, angering farmers who fear that the rising cost of water for irrigation will force them out of business.

And environmentalists are looking for ways to turn water shortages into opportunities to restrain growth in the West.

The Central Arizona Project, or CAP, is not the only reason for this

chain of events, but it has become a symbol of the changes in the West's approach to its most valuable resource.

"As soon as you get into a water shortage, people start looking around for new sources, and the CAP has certainly done that," said Lawrence R. Michaels, general manager of the San Diego County Water Authority.

Arizona will start by drawing about 600,000 acre-feet of water a year from the Colorado. (An acre-foot is the amount of water it takes to cover one acre, or four-tenths of a hectare, to a depth of one foot. This is about 325,000 gallons or 1.2 million liters.)

The state is entitled to take 2.8 million acre-feet, which is now going to California under the "use it or lose it" water law that prevails in the Western states. If the owners cannot use their rightful share, the law says, the water may be taken by those who can.

San Diego County stands to lose the most when the Central Arizona Project gets started. It uses 300,000 to 500,000 acre-feet of water a year, while it is entitled to only 165,000.

The county, whose water is supplied by the Metropolitan Water District, is not in immediate danger because the spring runoff from the Rocky Mountains into the Colorado has been plentiful in recent years and reservoirs are full. But with two or three dry years and with the Central Arizona Project on time, the water district estimates that its 1.5 million-acre-foot system would be short by a third in 1990 and by a half in the year 2000.

"If the Met is short, we really live a disaster," Mr. Michaels said, referring to the water district. "We have to look for other ways to get water, so when someone like Galloway shows up at our door we can't afford to say, 'Ah, we don't think this can be done.'"

The Galloway Group Ltd. is a consortium of northwestern Colo-

rado developers who approached San Diego with a controversial proposition. The developers propose to impound water behind dams in northern Colorado and then "lease" it, at the rate of about 50,000 acre-feet a year, to San Diego for 20 years. The water, which would be released into the river system, would be privately owned.

The plan turns on a fine point of Western law, which holds that the first person to put a source of water to good use may continue to do so.

The Galloway Group's proposal

has attracted diverse support. Conservationists like the idea of landowners selling their water to cities downstream, because the higher costs might hinder development. In this, they agree with some conservative economists who argue that water should be treated like any other commodity and sold to the highest bidder.

But the region's water agencies, which have delivered inexpensive, subsidized water to Southern California's farmers for decades, have vowed to fight the Galloway

Group's proposal. Galloway recently put the offer on hold while completing negotiations to deliver 100 acre-feet of water to a small utility south of Phoenix, Arizona. San Diego County officials and water experts see the Arizona venture as a test case on the legality of this kind of transfer of water rights.

"The idea is a lot larger than some people realize," Mr. Michaels of San Diego said. "What's really behind this is a whole new way of looking at water and relations between the states."

Efrem Zimbalist, 94, Violinist, Dies; Acclaimed for His 'Noble' Technique

New York Times Service

NEW YORK — Efrem Zimbalist, 94, a violinist celebrated for his technique, musicianship and patriotism bearing in a career that spanned more than half a century, died Friday in Reno.

Mr. Zimbalist, along with Jascha Heifetz, Mischa Elman and Nathan Milstein, was one of the distinguished alumni of Leopold Auer's legendary violin classes in Czarist St. Petersburg. From his first American appearance in 1911 — when he played the U.S. premiere of Alexander Glazunov's Concerto in A minor with the Boston Symphony Orchestra — until his retirement from the concert stage more than 40 years later, Mr. Zimbalist was acclaimed by colleagues, critics and the general public as one of the most respected musical figures of his time.

"Less emotional than Elman's and less perfectionist than Heifetz's, Zimbalist's interpretations derived their strength from a searching penetration into the meaning of the music," the late Boris Schwarz wrote in the New Grove Dictionary of Music and Musicians. "His quiet temperament led to unhurried tempos; his performances were noble, fine-grained, never extroverted. In general he avoided virtuoso exhibitionism, yet he could play Paganini with flair."

In 1928, Mr. Zimbalist joined the violin faculty of the newly formed Curtis Institute in Philadelphia, becoming the head of the department two years later. He was appointed director of the institute in 1941, a position he held until 1968.

Mr. Zimbalist was born in Rostov-on-Don, Russia. He began his violin studies with his father, Aaron Zimbalist, who conducted the orchestra of the Rostov Opera. By the age of 9, he was a member of this orchestra. In 1901, he entered the St. Petersburg Conservatory, where he began working with Auer, and also studied composition with Nikolai Rimsky-Korsakov. He received the conservatory's gold medal and the Anton Rubinstein prize of 1,200 rubles upon his graduation in 1907.

Alexander Scourby, Narrated 'Victory at Sea' — Alexander Scourby, 71, the genial actor whose precise and resonant voice

was heard narrating the "Victory At Sea" television documentaries about World War II, died Saturday in Boston after a short illness.

Born in Brooklyn, he was the son of Greek immigrants who expected him to follow his father into the bakery business. But as a young man he became involved in the Apprentice Theater, which presented plays at the New School for Social Research during the 1933-34 season, and won his first major professional role as the Player King in Leslie Howard's production of "Hamlet" in 1936.

His stage career continued with appearances in Maurice Evans' "Hamlet," and "Henry IV, Part I" and in "Richard II."

Meanwhile, he had begun a parallel career in radio, playing leading parts in five soap operas, narrating Andre Kostelanetz' musical program for a year and playing the part of Clark Kent's father on Krypton, Jor El, in a radio account of Superman's origins.

During World War II, he did broadcasts transmitted abroad in both English and Greek for the Office of War Information.

His first film appearance was with Glenn Ford in "Affair in Trinidad," and "The Big Heat."

In the early 1950s, he moved into television as both actor and narrator in dramatic productions.

But his work as the unseen narrator for such television documentaries as "Victory At Sea," "Pearl, Two, One, Zero," "The Coming of Christ" that made his reputation as what a Variety writer once called, "the voice of the world."

He also recorded more than 300 works of literature for the blind.

Louis Hayward, 75, Played Swashbucklers

NEW YORK (NYT) — Louis Hayward, 75, an actor who made his reputation playing swashbuckling heroes in movies during the 1930s and 40s, died of lung cancer Friday in Palm Springs, California.

Mr. Hayward was best known for his roles in costume pictures such as "The Man in the Iron Mask," in which he played dual roles, and "Son of Monte Cristo."

The son of a gold-mining engineer, Mr. Hayward was born in Johannesburg in 1909 and, after his father's death, was raised by his uncle in England. He attended college in France and, deciding to be-

come an actor, returned to London. In 1931, he played in a stage production of "Dracula" and, in 1932, "Beau Geste." Noel Coward cast him in his 1934 revival of "Hay Fever" and his "Conversation Piece." He came to America in 1935.

Ina Claire, 92, American Actress

NEW YORK (NYT) — Ina Claire, 92, one of the most celebrated performers of high comedy on the American stage, died Thursday in San Francisco.

Among her most memorable portrayals were the urbane characters she shaped, mixing delicate banter, mockery and irony, in three comedies by S.N. Behrman — "Biography" in 1932, "End of Summer" in 1936 and "The Talley Method" in 1941.

In films, she portrayed Ethel Barrymore in "The Royal Family of Broadway" in 1936, Greta Garbo's mischievous adversary, Duchess Swana, in "Ninotchka" in 1939 and Dorothy McGuire's mother in "Claudia" in 1943. But Miss Claire considered filmmaking as fundamentally a director's art and chose to appear in only nine movies.

Starting in vaudeville at 13, Miss Claire specialized in impersonations of leading performers, graduated to musicals, revues and farces and emerged as the premiere light-hearted sophisticate in comedies of manners.

Other Deaths:

General Jacques de Gaulle, 75, former director of the Institute for Advanced Studies on National Defense and a wartime aide to General Charles de Gaulle, Monday in Paris.

Carol Sutton, 51, who became the first woman to head the news staff of a major U.S. daily newspaper, The Courier-Journal of Louisville, Kentucky, Tuesday of cancer.

Isaac Kashdan, 79, one of the foremost chess players in the United States in the 1930s and 1940s and for many years the chess editor of The Los Angeles Times, Wednesday in Los Angeles.

Archbishop Desmond J. Ryan, 60, the former head of the Dublin archdiocese who had been serving in the Vatican as the chief of the office for the Propagation of the Faith, of a heart attack Thursday in Rome.

Salvador Church Says Death Toll Mounting Rapidly

United Press International

SAN SALVADOR — The Roman Catholic Church has noted a marked increase in the death toll in El Salvador's civil war, with 157 deaths reported in a recent seven-day period.

An auxiliary bishop, Gregorio Rosa Chavez, said in a sermon Sunday that the Catholic human rights agency recorded 157 killings of civilians, rebels and army troops between Feb. 15 and last Thursday. The number was almost three times the number killed in the previous week.

The bishop criticized leftist guerrillas for the "cruel and unjust" execution of several civilians; he said paramilitary rightist death squads were continuing to execute Salvadoran refugees who returned to the country.

The leftist rebels are fighting to overthrow the U.S.-backed Salvadoran government, and more than 40,000 people have died in the five-year civil war.

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Herald Tribune

Published With The New York Times and The Washington Post

Zia, for One, Is Smiling

The headline said hundreds of Pakistanis had been arrested on the eve of national elections. Next to it was a picture of the president and martial law administrator, Mohammed Zia ul-Haq, smiling. The juxtaposition was no doubt accidental, but it says something suggestive about President Zia's Pakistan.

In his evident view, things go fairly well. Economic gains have been steady, remittances hold firm, crops are good; the mass of people at the bottom are entitled to have some sense that conditions have improved under the martial law regime proclaimed in 1977. Support of the Afghan resistance exposes Pakistan to certain risks and costs, but compensation has come in closer ties with other Islamic countries and with the United States. Meanwhile, the political opposition is banned and, partly as a result, dispirited. The single legal "party," the military, salutes the commander in chief.

President Zia does not show much embarrassment over a political order that looks suspiciously like indefinite, arbitrary one-man rule. Last December he engineered a non-compulsory referendum meant to give him a personal mandate, and now he is following up by staging empty elections to a new National Assembly; no parties are competing and the individuals permitted to campaign cannot use microphones. It was to ensure that opposition politicians did not use election day to make a show against the elections that he decided to lock them up for a while. After the elections he apparently intends to rewrite the now suspended constitution in order to set the president over the prime minister and an appointed "National Security Council" over the elected National Assembly. In this way will be restored a tame form of civilian government that can be easily sidetracked in an "emergency."

The democratic train never got up much speed in independent Pakistan. The nation's security has never been ensured — not even its borders — and that failure has kept the military either in command of the political arena or loitering on the edges of it. President Zia's evident contempt for the civilian political side of Pakistan, however, is marked and disturbing. The country is too mature and too naturally political a place to be treated indefinitely as a subordinate regiment. The United States hesitates to criticize, but President Zia should be criticized. He is the only one smiling.

— THE WASHINGTON POST.

Avenge the Bay of Pigs?

What is behind the extraordinary effort that President Reagan and his chief aides are making to win congressional and public approval for their Nicaragua policy? It almost seems as if the administration has been seized by its own kind of "liberation theology," a passionate but studied striving, both geopolitical and moralistic in content, to translate its deepest ideals into political reality. Prudence may limit a direct application of this creed in places where communism, the enemy of freedom that the administration is readiest to attack, has been long enmeshed. But in places where its presence is new or its roots are relatively shallow, the administration is pressing with extraordinary vigor to prevent new growth and to reverse what growth has taken place so far.

The working premise appears to be that it is worth the difficulty and criticism to move now in places such as Afghanistan and, above all, Nicaragua, rather than stand on diplomatic ceremony and watch the local regimes snuff out liberty at their convenience and become, by result if not design, pawns of Soviet power. This is the view that sees the hinge event of the last generation as the Bay of Pigs operation, where, in this view, the chance existed to block the consolidation of Communist rule in Cuba, but the chance disappeared when an American president lost his nerve; and for this lapse the United States has since paid many times over. There is reason to believe that such a Bay of Pigs syndrome explains the otherwise outlandish exulting tone in which the Reagan administration congratulated itself for its intervention in Grenada — a battle of such unequal odds that a self-respecting great power would otherwise speak of it only in a very modest way.

In respect to Nicaragua, however, the evidence is that the administration's "liberation theology" is not held with equal fervor, or interpreted with equal literalness, in all quarters. At least three tendencies are visible beneath the facade of official consensus.

One, evident in parts of the Pentagon, says go, now, seize the moment of the fresh Reagan mandate to back the "contras" to the hilt, apply pressure on Nicaragua's borders by constant maneuvers, push U.S. military support operations right to the verge of direct intervention and leave open and threatening the possibility of committing U.S. forces.

A second tendency, apparent in the speech-

es of Defense Secretary Caspar Weinberger and in hints from the Joint Chiefs of Staff, hesitates at the thought of committing U.S. forces but accepts the full range of other pressures now being mobilized. The hope is that these will either ignite further popular resistance within Nicaragua or break the spirit of the Sandinists, in either event averting the sort of direct U.S. role that would be uncertain and controversial and might tend to curdle some of the public's taste for this group's number-one priority, the U.S. military buildup.

A third tendency, not strong at present but biding its time for better days, holds that the essential thing is to stay alert to possibilities for converting military pressures into political accommodation, possibly with the help of Latin mediators. Regrettably, the negotiation circuit is down right now; the mediating efforts of several Latin American countries are in suspension and Washington has broken off its bilateral talks with Managua. The State Department is the natural home for this tendency, although Secretary of State George Shultz does not seem very hospitable to it these days.

Where does President Reagan stand? In public he seems all but ready to swing into the saddle and charge up the Nicaraguan equivalent of San Juan Hill. He puts aside all of the grays — the existence still of a limited legal opposition, a popular fighting church and a substantial private sector; the fact that some few but important elements of the "freedom fighters" he lavishly praises are ex-Somoza henchmen who still act the part; the fact that, because of past U.S. interventions in Nicaragua, his policy stirs the nationalistic opposition of many patriotic Nicaraguans and separates the United States from most of its friends in the hemisphere — including friends who regard the Sandinists with a very beady eye.

Mr. Reagan is talking very tough — to intimidate the Sandinists and perhaps also to appease those people in his administration and constituency who favor military action. There is a real risk, however, that his talk will somehow be taken as authorization for certain adventurous steps that in fact he has not specifically decided on. Presidents have got in trouble before for seeming to give a green light for drastic actions they came to regret.

— THE WASHINGTON POST.

Thatcher's Irish Lapse

When Prime Minister Margaret Thatcher is good she is very good, as in her speech to Congress last week. She offered a rousing defense of Western freedoms and a skillful accounting of her Conservative government's record. On sticky alliance matters, she relied on indirection to speak for Europe without unsettling her friend, President Reagan.

The Strategic Defense Initiative? Of course she favors research on defensive systems, but deployment would be "a matter for negotiation under a new treaty," ergo a bargaining chip. The American deficit? Since no country is immune from its effect, she strongly supports "your efforts to reduce the budget deficit." How can richer countries preach discipline to poorer countries and refuse to practice it at home? Good advice, well expressed.

Much less satisfactory was Mrs. Thatcher's treatment of Northern Ireland. She properly denounced the murderous IRA, praised the Dublin government for its courage in combating terrorism and warned Americans that

seemingly innocuous contributions pay for murder. What was missing was even a hint about the grievances of the oppressed in the British-ruled North. She dealt with effects without mentioning the historic failure of a million Protestants to acknowledge the rights and humanity of half a million Catholics.

So long as that majority wishes to remain British, she said, its wishes will be respected: "If ever there were to be a majority in favor of change, then I believe that our Parliament would respond accordingly. For that is the principle of consent enshrined in your Constitution and an essential part of ours."

Taken on its face, this gives the majority an indefinite veto over any new arrangements in a province whose borders were drawn in 1921 to protect Protestant dominance. It means that there is little hope for the ideas of joint authority advanced by Prime Minister Garret FitzGerald in Dublin. To close the door to peaceful change is to open it to gunmen.

— THE NEW YORK TIMES.

FROM OUR FEB. 26 PAGES, 75 AND 50 YEARS AGO

1910: Women Taxpayers Want Vote
CHICAGO — "Taxation without representation is tyranny." This slogan has been adopted by the leaders of a new movement to gain the right of women to the ballot. Mrs. Winona S.F. Jones, who is active in the work of organizing the Woman's Nontaxpayers League, said its members are to be bound by a pledge that they will refuse to pay taxes until representation in the Government is granted to them. "When the jails are filled with members of the league, and when the men and the politicians begin to realize that the taxes paid by women are no inconsiderable portion of the total paid throughout the country, something will be done," said Mrs. Jones.

1935: Unemployed Agitate for Relief
LONDON — A cascade of green pamphlets calling on the government to withdraw the unemployment relief act was showered from the public gallery to the floor of the House of Commons [on Feb. 25] as a group of unemployed attempted to demonstrate against the proposed reductions in relief. Walter Elliott, Minister of Agriculture, was speaking when cries of "Down with the unemployment act" accompanied the rain of leaflets. Earlier in the day a party of fifty jobless Communists, declaring that they represented working-class organizations from all parts of the country, invaded Downing Street and attempted to see Prime Minister Ramsay MacDonald.

The Moral Duty Is Rather to Obey the Law

By Tom Wicker

NEW YORK — It can no longer be doubted that Nicaragua is the bone in Ronald Reagan's throat, or that he intends to change its Marxist government. So it is perhaps expectable that his remarks should include so much exaggeration, disinformation and demagoguery.

But what excuse is there for George Shultz, the secretary of state? Mr. Shultz is the chief U.S. diplomat, supposedly the steady man of the Reagan administration, the official who ought to be most concerned that his boss's worst nightmares do not direct U.S. foreign policy.

It was Mr. Shultz, not some politician on the stump, who declared roundly that the people of Nicaragua are now "behind the Iron Curtain" and that the United States has a "moral duty" to help them trying to "bring about the freedom" of that country. In congressional testimony on Feb. 19 supporting aid to the U.S.-backed "contras" operating against the Sandinist regime, he added that "the democracies simply cannot put up with a Brezhnev doctrine" in Central America.

Maybe Mr. Shultz was only trying to disprove the charges of the departing U.S. ambassador to France that there is something about the diplomatic service that "takes the guts out of people." But surely Americans have a right to expect something better from their secretary of state — if not from their president — than this kind of imprecise reference and inflammatory discourse.

"The Iron Curtain" is a phrase that, since its renowned use by Winston Churchill in 1946, has referred to direct Soviet control of other countries, such as those in Eastern Europe. China is a Communist country but it is not considered to be "behind the Iron Curtain" because it is not dominated by the Soviet Union. Nor is there a shred of evidence that Nicaragua, however Marxist its government and pro-Soviet its leanings, is controlled from Moscow.

The Brezhnev doctrine — holding, in effect,

that once a country has gone Communist other Communist countries have a right to keep it that way — was put forward in 1968 after Warsaw Pact nations intervened in Czechoslovakia, where the doctrine could be enforced. But Moscow has never offered the slightest hint that it extends such protection to Nicaragua, or intends to; the Brezhnev doctrine probably does not even cover Cuba, since the Soviets know they could not enforce it in the Western Hemisphere.

And that "moral duty" Mr. Shultz gratuitously declared for the rest of us is in sharp conflict with some clearer American obligations — to observe international law, to oppose the kind of state-sponsored terrorism that some of the activities of the anti-Sandinist "contras" too closely resemble and to respect the self-determination of peoples. (There is little to suggest that Nicaraguans, for all the authoritarianism of the Sandinists, are generally eager for their removal.)

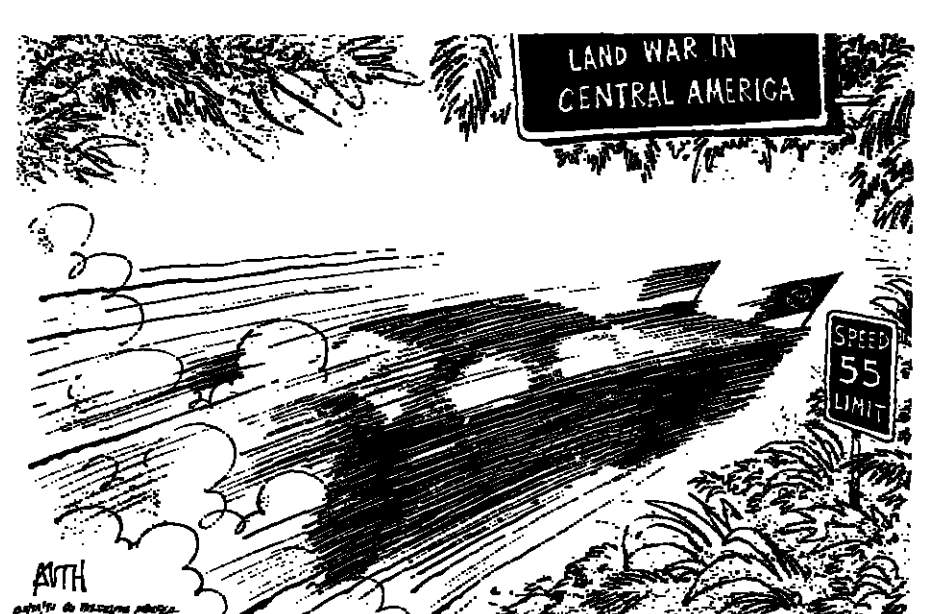
But at least President Reagan and Secretary Shultz are no longer trying to hide their purpose in Nicaragua. They now make it clear that they want a change in government in Managua. When Mr. Reagan, for instance, called in a radio speech for congressional approval of a new \$14 million in military aid for the "contras," he called them "freedom fighters" and "our brothers."

Mr. Shultz, telling Congress that the Sandinists are a "bad news government," put it frankly: "Now how can that get changed? We'd like to see them change." His talk about the Iron Curtain and the Brezhnev doctrine were well calculated to milk anti-Sandinist sentiment from the anti-Communist passions of Americans.

All this puts an end to the specious claim that in aiding the "contras" Washington sought only to stop an alleged — never proven — flow of arms from Nicaragua to the Marxist guerrillas in El Salvador. And any further pretense about "covert action" would now be ludicrous.

So if Congress approves the \$14 million, Ronald Reagan will have persuaded it to declare war at second hand on a government he does not like — one which has many faults but which is legal and recognized throughout the hemisphere and the world. If that is a moral duty, a lot of Americans will not recognize it.

The New York Times.



Mubarak Seems to See Gleams of a Broader Peace

By Flora Lewis

CAIRO — President Hosni Mubarak has prepared with extra care for his trip to Washington next month. The stakes are high for Egypt, but his mood is remarkably relaxed. He evidently feels that things are moving again in the Middle East and there is a chance of another break in the long Arab-Israeli impasse.

Mr. Mubarak speaks repeatedly about the need to be "realistic." He has no illusions that peace will burst out suddenly. "We can't reach a solution in one hop. That's impossible," he said, noting Egypt's experience of a long series of steps.

But he wants direct negotiations between Israel and a Jordanian-Palestinian delegation to begin as soon as possible. If both sides were willing, he would be glad to see them invited to meet in the United States, adding American momentum to get started. Or in Egypt, or "anywhere," he said.

An international conference need only come toward the end of the process, to give a "blessing" when agreement is reached.

What Mr. Mubarak did not say in an interview with New York Times Cairo correspondent Judith Miller and me may be just as important. He

did not mouth the usual Middle East demand that America put pressure on Israel to extract concessions. He did not recite the usual litany of Arab grievances as if the only problem were the rest of the world's failure to grant redress. He did not run down the Israeli government and Prime Minister Shimon Peres.

He did refer critically to some tough statements by Foreign Minister Yitzhak Shamir and Industry Minister Ariel Sharon as "not helpful at all." But he wondered aloud whether they really represented official Israeli government policy. And he said, "I don't think anybody in this area rejects peace." He is paying special attention not to add, by emotional or impulsive words, to difficulties that he knows will be enormous.

That is the encouraging side, because Egypt has a crucial role to play in what Mr. Mubarak calls the "coordination" between King Hussein and Yasser Arafat on future negotiations. Despite lack of diplomatic relations with other Arab states except Jordan, he keeps in close touch with them and is well informed. His goal is

in living standards. High U.S. interest rates are hurting badly and he wants help, \$865 million more this year and another \$1 billion next year.

But population is still zooming — a million more in 276 days. These are the pressures, the president says, that feed the frustrations that drive people to fundamentalism and intolerance.

He says he is not seriously "worried" because there is progress and because allowing political and public-opinion steam valves should prevent buildup of explosive forces. He rejects firm repression because "violence would create much more violence." He shows confidence.

Still, it is obvious that even the start of talks on the Palestinian issue would spark hope and by more time, strengthening moderates against extremists who have never produced anything but corpses. The new opening is nothing like the exhilarating vista that the late President Sadat created with his trip to Jerusalem, but that can hardly be expected twice. Israel has nothing to lose in probing to see how much the vista can be widened. There is a faint gleam ahead, and urgent need to brighten it.

The New York Times.

Chipping at Interest and Deficits Is No Cure for the Mighty Dollar

By Bennett Harrison

CAMBRIDGE, Massachusetts — The U.S. government is hell-bent to cut the deficit in pursuit of its unjust political anti-revolution. Current and anticipated future federal deficits, it is alleged, are solely responsible for the dollar's economically damaging overvaluation: Swing the axe and help the dollar. Nonsense.

In fact the dollar is not likely to emerge in any better shape from Washington's zeal to gut the welfare state than will the hapless citizens who will suffer further from the catastrophic loss of services that surely will result from the unfair cuts under consideration.

An ironic, sad dimension is added to the looming injustice that these Americans face by the willingness of the Democratic Party, including many members of its so-called liberal wing, to follow the Republicans' lead.

The rampant demand in Washington to slash the civilian budget has been endorsed by private exporters of manufactured goods whose business has been hurt. Their problem, we are told, is the dollar's overvaluation in relation to foreign currencies, caused by high interest rates that attract foreign investors — rates that, in turn, are traceable to today's enormous deficits and to the even larger ones expected in coming fiscal years.

There is an alternative view to this conventional "wisdom," and a wise Congress would do well to give it attention. In a nutshell: Not all of the loss in exports is due to the overvalued dollar; not all of the dollar's overvalue is due to high interest rates; not all of the high rates are due to the budget deficit. Thus, there is more latitude for constructive policy than meets the public eye.

First, austerity in Third World countries that has been sanctioned by the U.S. government, if

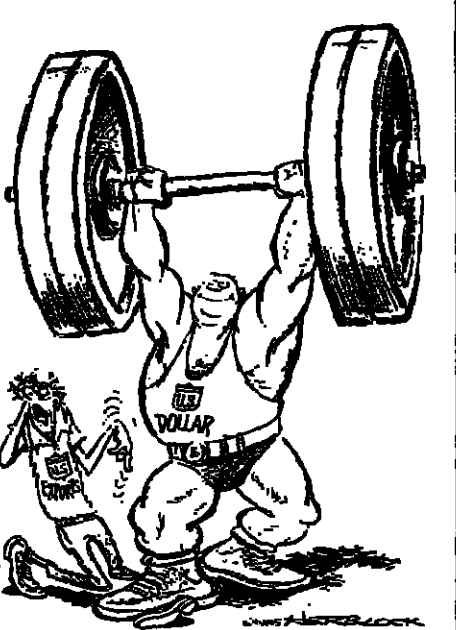
not directly imposed, has sharply reduced their ability to buy goods and services — from America or anyone else. And Washington remains unwilling to face up to the new conditions of the global marketplace, failing to press foreign governments to make the concessions to American firms operating in their countries that those governments increasingly seek from Washington.

Second, much of the foreign demand for dollars is a flight to security at least as much as to marginally higher profits. America now boasts perhaps the most conservative government in the industrialized world. This, together with the government's active promotion of political instability abroad (as in Central America) and its ineptness when it does try to promote stability (as in the Middle East), only reinforces the sense of the United States as a safe haven for foreign capital.

Third, the upward pressure on interest rates, so commonly attributed to the Treasury crowding a beleaguered private sector out of the credit markets, must also be traced to the deregulation of financial institutions that began in the late 1970s. With every commercial bank, savings and loan institution, money market fund, insurance company and, it seems, corner grocery store being allowed to attract borrowers, it is little wonder that the long-term normal rate of interest is now so much higher than before.

So much for the simplistic connection between the deindustrialization of America's export sector and the domestic budget deficit.

The private sector must share the blame. Its unwillingness to undertake a sustained program of reinvestment in new domestic plant and equipment at a pace suited to sustain an adequate overall rate of real economic growth is



forcing the government to run larger and larger budget deficits to keep the economy going.

Another danger of the deficit-cutting fever is that to the extent that it "succeeds," it may do so just in time to push America into the third recession of the decade. That will make everything worse, especially the most politically volatile of social indicators: the unemployment rate.

All this suggests that there be a renewal of debate over national industrial policy — specific programs to ease problems of particular industries. In our complex world, fiddling only with interest rates and budget deficits will not work.

The writer, professor of political economy at the Massachusetts Institute of Technology and co-author with Barry Bluestone of "The Deindustrialization of America," contributed this to The New York Times.

LETTERS TO THE EDITOR

Getting Facts Straight

In response to the report "Reagan Calls Nicaraguan Rebels 'Brothers' and 'Freedom Fighters'" (Feb. 18):

The most frightening aspect of Soviet society is the way it rewrites the past. So let's take a look at the other side. The outburst from President Reagan concerning the aid given for foreigners to the American Revolution and U.S. aid to Simón Bolívar and the cause of Spanish American independence is downright scary.

The Bourbon kings of France and Spain never went anywhere to defend the cause of freedom. Louis XVI's foreign minister, Vergennes, openly admitted: "Our purpose was to weaken our eternal enemy, and to take revenge for 1763." Another freedom-loving ally of America's, Catherine of

Russia, refused afterward to recognize the United States.

As for Bolívar, the Liberator said a few months before he died: "The United States appears to be destined by Providence to plague America with misery in the name of liberty." Freedom is the ultimate cause. It requires us to get our facts straight.

DAVID WINGATE PIKE
Paris.

UNESCO's \$10 Million

Regarding "UNESCO Begins Debate on Effects of U.S. Pullout" (Feb. 13):

The report alleges that the director-general of UNESCO made a "decision" to withhold a surplus \$10 million, and it implies that this is against UNESCO's regulations.

The \$10 million represents the

amount of member states' contributions for the budgetary period 1981-1983 that has not yet been paid. UNESCO's financial regulations provide that only the net cash surplus — namely, the budgetary surplus minus the unpaid budget assessments — can be surrendered to member states, since the organization cannot surrender money it has not received. The \$10 million presently withheld will be surrendered as soon as it is received from member states in arrears, and it cannot be used by the director-general for any other purpose.

It could not have been distributed to member states by the director-general even if he had so desired. The financial procedure is automatic and did not result from any action of his.

Finally, I state most emphatically that no "big new surplus" is accumulating as a result of the dollar's continued strength, as Mr. Lewis alleges, since the 1984-1985 budget contained a negative provision of \$46 million that was established to cover such gains from currency fluctuations.

GILLES DE LEIRIS
UNESCO Comptroller.
Paris.

Soccer and Ethiopians

Regarding "FIFA's Helping Hand Is Empty" (Feb. 13) by Rob Hughes:

Mr. Hughes lambastes soccer for not doing its share against hunger. But why should FIFA support the oppressive regime in Ethiopia?

And what part of the money raised by American basketball all-stars will actually be used to feed the hungry? If things happen as in the past, not a

For Russia, Too: Guns Or Butter

By Stephen S. Rosenfeld

WASHINGTON — One of the Reagan administration's truly underpraised feats of political legdom is its success in convincing the American people and Congress that Soviet power is not merely great and threatening but is constantly becoming more so and at a menacing rate. It is this impression of relentless, implacable growth in Soviet military programs that provides the emotional fuel for the administration's own tremendous defense surge.

From the best estimates available it is necessary to say that this impression is apparently groundless.

The best estimates available come from the CIA, and the CIA has made public a new estimate suggesting that although there has recently been "some acceleration in the rate of increase" in Soviet military spending, the rate remains near the 2-percent-a-year level that has been noted since 1976. Earlier, estimated growth in total Soviet military spending had averaged 4 or 5 percent a year — to most people, a more alarming figure.

The Pentagon puts out its own numbers. Last June its in-house Defense Intelligence Agency reported preliminary estimates much higher than those of the CIA.

But there are a couple of things to be said for the credibility of the CIA estimates. The CIA alone subjects its methods as well as its results in this field to criticism from outside as well as inside the government. And the CIA is currently run by one of the original Reaganites, William Casey, a partisan hard-liner who is just about the last person you would suspect of coming in low on Soviet military spending. Maybe he is winning, but he is entitled to wear the new figures as a badge of analytical courage.

But, you ask, with lingering incredulity, are the CIA and the Reagan administration as a whole not aware that estimates of military spending, although offered in the context of analysis, immediately enter a context of politics? They will inevitably be used against the administration's military requests. It has happened before with earlier CIA numbers and it is sure to happen again now.

Senator William Proxmire, the Wisconsin Democrat who chairs the congressional Joint Economic Committee, releasing an unclassified version of the latest CIA testimony on the Soviet economy, declared that "it is time for Washington to take official notice that Soviet military procurement has been stagnant for the past seven years and to stop acting like nothing has changed."

He is right. Let the debate roll. The Kremlin spends heavily on defense and continues to strengthen its military capabilities, the CIA asserts. This was so even in the 1976-1983 period, which its latest report measures — the period when military increases fell into the 2-percent zone. As before, the agency suggests that "the main source of slower growth in defense spending was a stagnation in spending for military procurement after 1976." Less hardware.

Why did procurement growth stop? "We would note that the stagnation in the level of procurement lasted for at least seven years — from 1977 to 1983. This plateau arguably lasted too long to be the result exclusively of bottlenecks or technological problems. In a period so long, the leadership of the Soviet Union could have used its control of industrial priorities to ensure a higher rate of growth of military procurement. Older-generation weapons could have been kept in production while problems with new systems were ironed out, or, once the problems were overcome, the new systems could have been produced at catch-up rates."

"We believe they chose to pursue neither alternative."

"In deciding to hold procurement growth down, the Soviet leadership in the mid-1970s may have viewed the external threat as manageable and the existing high level of procurement as enough, possibly recognizing that the U.S.S.R. was entering a period of generally slower economic growth and counting on a continuation of the decline in U.S. military spending."

In 1983, a year of "marginal" overall economic growth in the Soviet Union, a "modest" increase in military spending was detected. The CIA says it needs another year to see what that means. "Certainly the pressure to step up defense procurement must be intense given the state of Soviet-American relations and the recent increases in U.S. spending on military hardware," the agency relates.

"But a decision on increasing the rate of growth of defense spending has to be a tough one." Accelerating military spending to a growth rate of 5 percent a year "would jeopardize Soviet prospects for anything but minimal improvements in consumption levels." Guns vs. butter.

That is the question, isn't it?

The Washington Post.

INTERNATIONAL HERALD TRIBUNE
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Asia Headquarters: 24-34 Hennessy Rd., Hong Kong. Tel: 5-285618. Telex: 61170.
Managing Dir.: U.K.: Robin Mackenzie, 63 Long Acre, London W.C.2. Tel: 836-4802. Telex: 262009.
S.A.: au capital de 1.200.000 F. RCS Nanterre 873201126. Commission Paritaire No. 61337.
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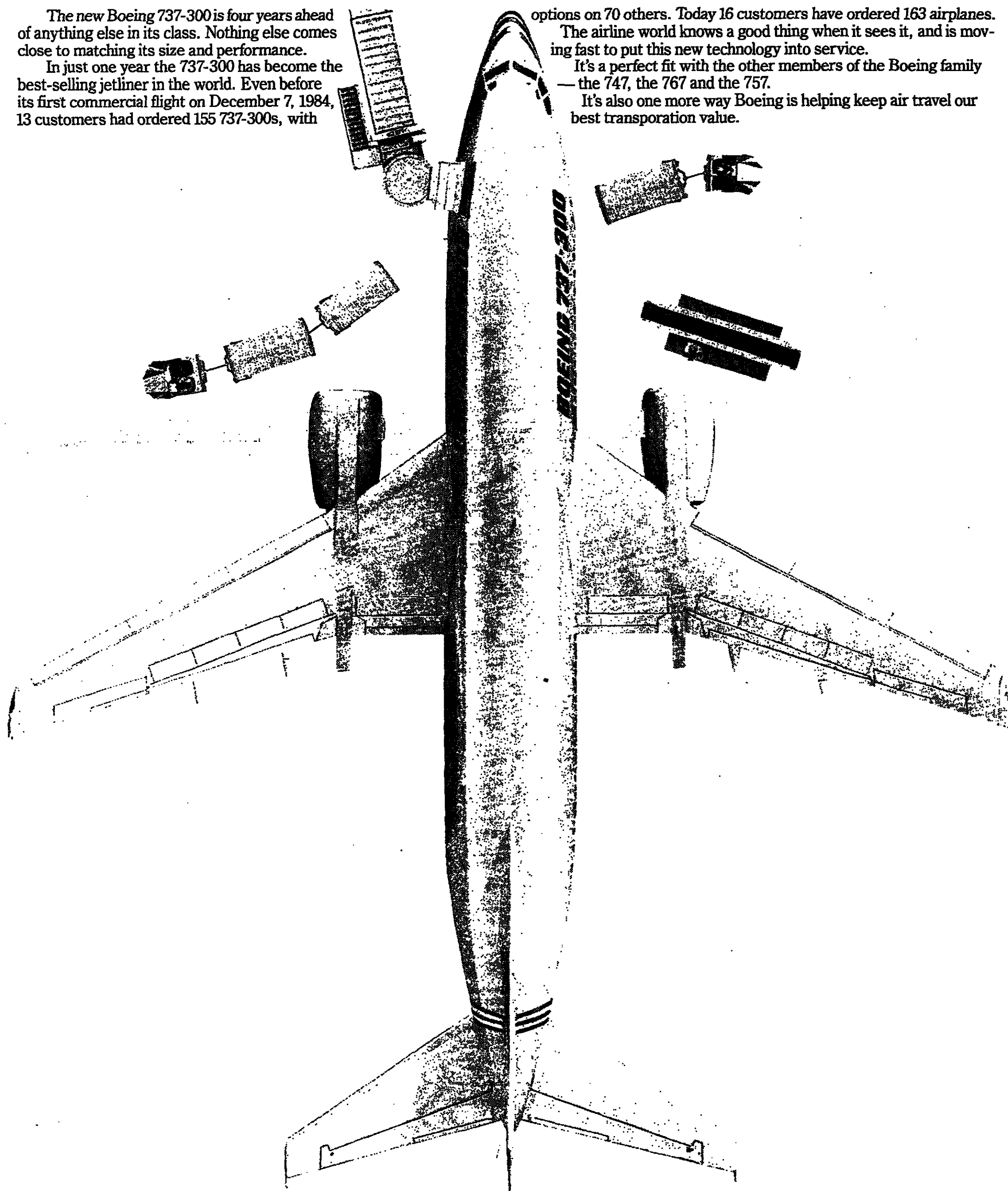
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By Stephen A. ...
W ...

ARTS / LEISURE

The Berliner Ensemble: Alive, If Somewhat Unwell

By James M. Markham

New York Times Service

BERLIN — Humbled and half-blind, the imprisoned Galileo Galilei turns to his young disciple, who is to smuggle a revolutionary scientific treatise out of the Inquisition's dungeon, and warns him, "Be careful as you travel through Germany, with the truth under your coat."

The words had one ominous meaning when Bertolt Brecht, an exile from Nazi Germany, penned them in Denmark in 1939; spoken almost five decades later by the actor Ekkehard Schall from the austere stage of the Berliner Ensemble in East Berlin, they are burdened with unhappy contemporary resonances. In Communist East Germany, many carry their ideas of the truth under their coats.

Schall, who is in New York this week putting on a one-man Brecht show, is perhaps the finest actor in the German Democratic Republic. Yet, in a country that Brecht hoped would be a bold experiment in human freedom, Schall is a participant in a dynasty and, some of its critics contend, an unwitting numskull of the dead playwright's legacy.

Coming home to Germany from the American phase of his exile, Brecht in 1949 founded the Berliner Ensemble in the Soviet sector of Berlin as a conscious departure from the Weimar theater of Goethe and Schiller. He hoped the BE would become a magnet for talent across the German-speaking world, drawing playwrights and actors from Munich, Hamburg, Vienna and Zurich. His loyalty, though, to the young East German state was unequivocal: "I can only imagine my place as an artist in the part of Germany where the foundations of socialism are being laid."

Brecht died in 1956 — three years after justifying the suppression of a workers' uprising in East Berlin by Soviet tanks — and control over the Berliner Ensemble came into the hands of his widow, Helene Weigel. At her death in 1971, the company was effectively taken over by her daughter, Barbara Brecht, who for the past 23 years has been married to Ekkehard Schall.

The Brecht family grip on the Berliner Ensemble is a peculiar arrangement in a nominally egalitarian socialist state. But East Germany's cultural watchdogs consider the deathbed-loyal playwright such a god — and so important to the legitimacy of a fragile national identity — that they are evidently frightened to do anything that might drive his daughter into capitalist exile. And so she and her husband and their two daughters lead a life of considerable luxury in the part of Germany where the foundations of socialism have been laid.

Above all, they have the rare privilege of traveling regularly to the West — a privilege enjoyed only by the tiny East German ruling elite. "I go to New York about every year," said Mrs. Brecht-Schall, chatting in her high-ceilinged apartment on Friedrichsstrasse, a few blocks from the Berliner Ensemble. "I've told Ekkehard he has to see New York — it's like looking at the last of the dinosaurs."

Britain Pays \$25 Million To Save 3 Stately Homes

Reuters

LONDON — The British government has stepped in with a \$25-million grant (about \$27 million) to save three stately homes for posterity: Kedleston Hall, Weston Park and Nostell Priory.

The three homes will be taken over by the National Heritage Memorial Fund, a public conservation authority.



Ekkehard Schall

A short, compact figure with a bald bullet-head and a mesmerizing gaze, the 53-year-old Schall is forthright about his loyalty to the East German Communist party. "I am a comrade," he said, with just a twinkle of humor in his expression. "I feel at home here."

"But I am first of all an actor," he continued, curling and uncurling his fists on a large bleached-wood dining room table where he sat. "And I go nowhere as a missionary. That would be awful. What I can't transport through ideology, I can't transport through ideology. The ideology has to be embedded in my acting."

Theater, he insisted, is "not divided into good and bad in East and West. I know good, realistic theater here, and I know it in France, Italy and England. It does not run along the boundaries of countries; it runs vertically through them." Still, he acknowledged that since the erection of the Berlin Wall in 1961 the Brechtian ideal of an all-German stage has shrunk, and "the theaters in east and west have grown autonomous."

East Germany's cultural censors keep an especially wary eye on the theater — perhaps edgily sharing Brecht's belief in its revolutionary potential — so that little that is innovative or daring makes it onto the stage here. "In all other disciplines, in literature, in the film, they have liberalized a lot," said Michael Stone, theater critic for the

West Berlin daily Tagespiegel. "In the theater, somebody's there who puts them down all the time."

Sybilie Wirsing, a West Berlin-based critic for the Frankfurter Allgemeine Zeitung, said that in the West theatergoers await a new director's interpretation of a play; by contrast in East Germany, she said, the expectation is to see a classic rendering of a classic actor. "One cannot say that the theater is alive in East Berlin, but one cannot say it is dead either, since the theaters are always full," she observed, noting that factory production brigades attend en masse. "But when an East German playwright tries to go into the daily life of the state pool, suddenly the play is gone."

As in other cultural domains, East Germany has suffered a hemorrhage of theater talent defecting to West Germany. But in recent years, rather than lose them by defection, the Communist authorities have allowed a number of directors — such as Adolf Dresen and Matthias Langhoff — to work in West Germany without losing their East German citizenship. Other playwrights languish at home, paid by the state to write plays that are not produced.

Since the Berliner Ensemble largely puts on Brecht plays that have very long runs — the "Life of Galileo" now on its first produced eight years ago — the pressure for innovation is not very intense. Some critics maintain that actors become stale in their roles.

"The Berliner Ensemble is a little sad," contended Klaus Volker, author of a Brecht biography and a producer at the Schiller Theater in West Berlin. "It has become something of a museum whose malaise called Brecht. It would be a lot better if it did not have so much to do with the family."

Volker argued that Schall himself has suffered as an actor from the repetitive and unchallenging exposure to plays that he half-di-

rects himself. "I saw Ekkehard Schall 20 years ago," recounted the producer, "and I thought he was one of the best actors in Germany, and would become one of the greatest." But, he said, after an explosive success as Brecht's Hitleresque Chicago gangster Arturo Ui, Schall seems to have lost some of his fire.

Wirsing puts Schall in a sui generis category in East Germany: "He's not just an actor. He is an institution. One sees beyond him and into the Brechtian past."

Both Schall and his wife zealously deny that they have turned the Berliner Ensemble into a Brechtian museum. (A museum, in the form of Brecht's last home preserved as he left it, does in fact exist on Chausseestrasse near Berlin's French cemetery — a few blocks from the theater.) "The model we have is not a corset," insisted the playwright's daughter, who went to high school in California during her father's exile. "It is a starting point. Nobody can watch over Brecht's soul; one can only watch over the words."

Schall, who worked with Brecht closely as an actor, said that the playwright's "suggestions" are not frozen in time. "As a director," recalled Schall, "he was very generous. He allowed himself freedoms that a professional would not have. He was always looking for dramatic solutions."

One post-Brechtian dramatic "solution" is the repertory of Brecht skits, songs and poems that Schall brought to the United States. The repertory brought the actor accolades when he took it to Australia, England and Canada.

Although he delivers the routine in German, the audience is provided with program notes and simultaneous-translation headsets. Jack Garfield, the artistic director of the Clurman Theater in New York, hopes that if the tour is a success a sequel could be an American visit by the entire Berliner Ensemble.

Roger Vivier, Crafter of Footwear For the Famous, Making Comeback

International Herald Tribune

NEW YORK — Roger Vivier, who designed Queen Elizabeth's gilded, ruby-studded coronation shoes and whose footwear is on display in several museums, including the Metropolitan in New

HEBE DORSEY

York and the Victoria and Albert in London, is staging a comeback this summer. He is 72.

Best remembered today as the man who designed Christian Dior's custom-made shoes in 1953, Vivier was in New York recently on what looked like another successful venture in a career full of famous landmarks. After several years living in semi-obscurity in a 14th-century castle in the Dordogne region of France, he was back at center stage and displaying his first collection for the United States in 12 years. It will be on sale in a new Roger Vivier boutique on Madison Avenue in June as well as in several major U.S. department stores.

"The response has been terrific, but after all, I did work 10 years for Saks Fifth Avenue and 15 years for Delman," said Vivier, whose first trip to New York goes back to 1940. "I know America well. Let me tell you, my biggest success has always been over here. Americans understand me immediately. I adore them."

This renewed love affair is the brainchild, nevertheless, of a Frenchman, Christian Duvernois, who last December held a one-man show of Vivier shoes at his gallery, "Fagade." Called "Architecture du Frivole," it covered three decades of Vivier's designs, including pearl-and-jewel sparkled pumps made for Farah Diba when she was empress of Iran, as well as what Vivier



Roger Vivier

called "the most copied shoe in the world." Designed for Yves Saint Laurent, the latter, also known as "pilgrim pump," was a classic black patent leather pump with a silver buckle. Vivier later made a special version of the same shoe with a black pom-pom for the actress Catherine Deneuve.

Duvernois persuaded Vivier to get back into the fashion fray. It took him a little under three months to design a collection of 80 shoes that will retail at between \$150 and \$260. The Salon, as Vivier's boutique will be called, will also have a deluxe, custom-made department with prices between \$800 and \$1,200.

So what's Vivier up to now? His new collection is a happy blend of function and fantasy with colorful Roman-inspired sandals on the one hand and classic pumps on the other. The whimsical, exquisitely balanced Vivier heels are still very

much around. One is shaped like a sharp, gold-edged comma, another is stuck through with a diamond-studded ball. All these shoes have extraordinary movement, a characteristic of Vivier's, who always wanted to be a sculptor.

"I studied sculpture at the Ecole des Beaux Arts," he said, "before friends of my parents, who had a small shoe factory near Paris, asked me to create some models for them. Today, I still feel like a sculptor. Shoes are my sculptures."

After working for a number of international shoe companies, Vivier opened a glamorous chapter of his life when he went to work for Christian Dior in 1953. For the next 10 years, Dior and Vivier enjoyed an association during a golden age of evening shoes with Paris as the creative center. With a fairy-tale touch, Vivier translated the look of 18th-century bouffant mules to evening shoes ending up with frivolous fantasies of satin, lace and gauze, sequins, beads and pearls. Vivier, who also became an art collector and one of the first in France to collect Francis Bacon, drew inspiration from books and paintings. "Velázquez," made of white grosgrain, embroidered with blue and white beads, was inspired by the Velázquez painting, "Las Meninas." "Duchess de Guermantes," embroidered red satin with ruby minuscules, was inspired by the red shoes of the duchess in Marcel Proust's "Remembrance of Things Past."

In 1963, Vivier opened his own store on the rue François Premier, kiosk-corner from Dior's. It was more like a salon. On any given day, one could meet the Duchess of Windsor, Marlene Dietrich, Maria Callas, Elizabeth Taylor, Jacqueline Kennedy, Sophia Loren or Rudolf Nureyev.

"Brigitte Bardot," Vivier said, "was avant-garde. She was the first to wear flat shoes. La Callas was one of my most important customers. Elizabeth Taylor had pretty feet. Marlene Dietrich had strange feet — quite plump, really, but she was able to squeeze them into any shoe I brought out. I created a shoe for her called 'Bagdad.' 'Romaine' was the name of a shoe I created for Jeanne Moreau for her role as Catherine the Great."

Asked which shoe stood out most in his memory, Vivier answered, "The platform heel I designed in 1947. I showed them to Delman who sent me a telegram saying, 'Roger, are you crazy? I put them in a big envelope and I showed them to Schiaparelli who liked them and decided to show them with her collection.'"

Mexico India To P

By Mark J.

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INTERNATIONAL EDUCATION

A SPECIAL REPORT

TUESDAY, FEBRUARY 26, 1985

Page 9

Mexico Using Indian Languages To Preserve Culture

By Mark J. Kurlansky

TLAXIACO, Mexico — Gonzalo García Jiménez, 57, a small man with the delicately constructed face of a Mixteco Indian, is an educated man. He is the head of his local school system although he only learned to read and write in his native language five years ago. He was one of the first.

He was not educated in the Mixteco school system he now heads in the rocky, yellow, dry mountains of Mexico's southern state of Oaxaca. Mr. García was educated in the Mexican public school system, where he learned to read and write Spanish well but was forbidden to utter a word of his native Mixteco language or wear Indian clothes.

Candido Coheto, director general of indigenous education, calls it "internal colonialism" and his agency under the Ministry of Public Education is trying to change it.

The Spanish colonists stigmatized the Indians and the stigma has remained. Most modern Mexicans have some Indian ancestry and one in seven Mexicans, at least

is now setting up schools for Indians that try to foster their cultures and develop proud, educated, traditional Indians.

"We cannot think why an Indian child should be obligated to learn how to be part of the dominant group," explained Mr. Coheto. "We favor the development of the child within his culture."

The Indian is first taught about his culture, then his region, then his country. To do this the decision was made to teach the students bilingually in Spanish and their mother tongues.

But teaching in Indian languages has been an enormous undertaking. The program must deal with at least 36 Indian languages in Mexico. They are all oral traditions and the program must create the written languages before they can be taught.

The first experiments in this were in 1936 but books and curricula were not being developed on a wide scale until 1979. There are now primary education books teaching reading and writing in 35 languages. Twelve more languages are being worked on.

The program must be groomed individually for almost every village, especially in southern regions such as Oaxaca. There a community on one side of a mountain may wear white clothing and speak Mixteco and two miles away in another village the people wear brilliant red embroidered tunics and speak Triqui.

The schools are to be cultural institutions, not only teaching in the village language but trying to conserve traditional crafts and skills, perpetuating native dance, music and customs. Educated people such as Gonzalo García Jiménez must be found in each village and taught to read, write and then teach in their own language.

Educated people such as Gonzalo García Jiménez must be found in each village and taught to read, write and then teach in their own language.

10 million people, are full-blooded Indian and have a native language other than Spanish. In Mexico an Indian is not barred from success. But first he must learn to dress and talk like a European.

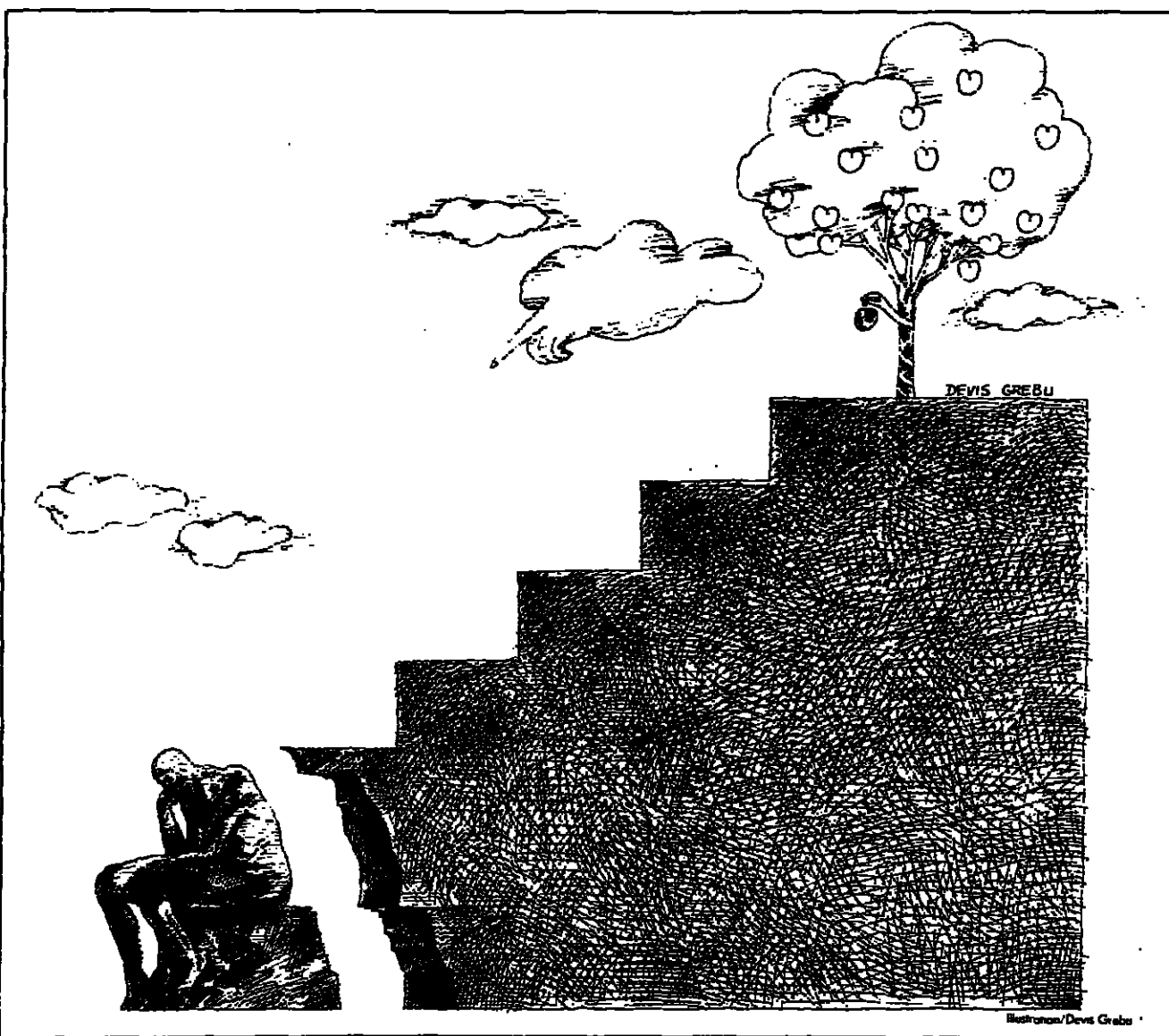
"If he wants to have opportunities," says Mr. Coheto, "he must Westernize."

Mr. Coheto is a pure Zapotec who speaks Spanish with sophistication. It was literally beaten into him. If he or his classmates spoke Zapotec within hearing of a teacher or they were beaten. He recalls being forced to take off his *huaraches*, woven leather Indian sandals, on national holidays and put on shoes issued by the government.

"I did not know how to wear them and I walked like a chicken," he says.

According to Mr. Coheto the public school system has not changed and he recently learned of a child who sustained a permanent neck injury from a blow administered for wearing Indian clothes to school. It was the only set of clothes the child owned.

"There is no law to protect Indian children," said Mr. Coheto. "Unfortunately this type of education creates a sense of worthlessness," he added. So the government



Debunking Myths About the Art of Thinking

By Edward de Bono

LONDON — The arguments fly back and forth and the meeting that has been called to plan a medical clinic in Venezuela is getting nowhere.

Suddenly a 10-year-old boy comes forward from the back of the room and organizes the meeting to set objectives, list priorities, find alternatives and assess the needs of the various parties. The place is Maracaibo and the boy is present because his mother could not find a baby sitter.

The boy had received the routine "thinking skills" lessons that are now compulsory in Venezuelan schools.

Five years ago the Venezuelan government invited me to set up a pilot project in Sofia and to set up a project for direct teaching of thinking as a skill.

Over the years, 106,000 teachers have been trained and, by law, all schoolchildren spend two hours a week on "thinking skills."

Two years ago the government of Bulgaria invited me to set up a pilot project in Sofia and Plovdiv. Recently reported results have shown statistically significant improvements in the standard tests for IQ and creativity — and also improvements in thinking behavior (such as independence). The government is committed to putting out one hour a week on the school curriculum for "thinking skills."

In Malaysia, based on the results of another Edward de Bono, a leading authority on the direct teaching of thinking, has written 25 books, translated into 19 languages, and made three television series on thinking.

pilot project, the government is putting thinking on the curriculum of the elite science schools. In Canada the method is widely used from the Yukon to Quebec and the leading school for the gifted has been using it for several years. There are projects in California and other parts of the United States and a growing use in Britain, Ireland, Australia, New Zealand and Malta and some use in Israel. The Chinese, who had an observer team in Venezuela, have said they plan to use the approach with 250 million children a year.

Last year the professional Association of Curriculum Designers in the United States voted the teaching of thinking to be the top priority in education. Three years ago a Gallup poll in the United States showed 60 percent of parents to be dissatisfied with the teaching of thinking in schools.

It has taken 15 years of pioneering efforts to overcome the series of dangerous myths that have prevented the teaching of thinking in school. Among the myths:

- Intelligent people are automatically good thinkers. On the contrary, they are often poor thinkers because they get caught in the "intelligence trap," which is bigger than to use their thinking to support a particular argument instead of constructively exploring the matter.
- Pupils develop their thinking as they use it in the various traditional subject areas. Busy journalists may remain "two-finger typists" through lack of focused attention on typing skills. Skill development has to be deliberate.
- The skills of information handling are sufficient. I coined the word "operacy" for those important skills of doing that go far beyond knowing and describing.
- Thinking must mean "critical thinking."

This puts off many people and has often been the bane of Western thinking. Critical thinking is only a small part of thinking. Thinking needs to be constructive and generative.

It is not possible to teach "thinking" directly as a subject. The Venezuelan and other projects have proved beyond doubt that there is a practical way to teach thinking on a large scale to a wide mix of pupils (from jungle kids to Canadian elite) using ordinary teachers. The design of the methodology is crucial, otherwise a mess results. Test results are now beginning to come in from all over the world (Venezuela, Canada, Australia, the United States and Bulgaria) for I insist that users do their own testing rather than rely on tests done at source in an ideal school with special teachers.

What of the future? Some countries will move fast once they realize that thinking — the ultimate human resource — is trainable as a skill. In the United States progress will be much slower because of two factors: The first is the many vested interests in a highly fractionated education system; the second is the grave danger of bandwagon enthusiasm that is already sucking in very old-fashioned and poorly conceived material that will set the movement back 25 years. I worry about that.

In the business world there is great interest in developing thinking skill, particularly lateral thinking, which is concerned with new concepts and perceptions. I have worked with such corporations as IBM, General Foods, Exxon and many others who know that proving yourself right in an argument is less important than the reality of the marketplace.

If asked, I would define thinking as: the operating skill with which intelligence acts upon experience.

Johnny Still Can't Read Well Enough to Work

By Daniel B. Moskowitz

WASHINGTON — On March 1, thousands of mailings are set to go out to schools, libraries, and other educational outlets across the United States, the latest move in a drive to involve corporate America in the growing problem of illiteracy.

With money from such companies as General Electric Co., McGraw-Hill publishing, and the Dayton-Hudson retailing chain, the Coalition for Literacy is using the mailing to urge the local institutions to encourage local newspapers and broadcast stations to run, without charge, advertisements calling attention to the social costs of a significant adult population that cannot read on the level demanded by the modern world.

The advertisements were drawn up without charge by the Benton & Bowles advertising agency. The ads, in turn, try to stimulate more corporate support for the campaign. Reads one ad headline: "27 million Americans can't read, and guess who pays the price?" The answer: a list of some of the largest U.S. companies. The tagline: "A literate America is a good investment."

It is that pitch — the dollars and cents cost of functional illiteracy — that is getting U.S. business interested in a problem that until recently was the exclusive concern of educators and isolated do-gooders who met in church basements in training sessions with beginning readers.

"The issue of functional illiteracy lies coiled at the center of our unemployment problems," said a Travelers Insurance Co. senior vice president, Robert W. Feagles. "It threatens this country's ultimate ability to succeed in the world market."

The United States reported to the United Nations that 99.5 percent of its adults are literate, giving it one of the highest literacy rates in the world. The discrepancy, of course, is between the bare ability to sign one's name and read the word "STOP" on an octagonal sign and the ability to read — and compute — well enough to function in an increasingly complex society.

"By any standard, there were more illiterate Americans 100 years ago," notes Jonathan Kozol in "Hunger for Memory," a book scheduled for publication March 15. "It is functional illiteracy that has increased; this is the case because this term, in itself, a 'function' of the needs imposed upon a person by the economic and the social order. The economy and the society have changed in every age. It is the rate of change, and the degree to which it may outpace the literacy level of the nation, that determines which part of that nation is unable to survive and prevail within the context of its times."

While the drag of a permanently unemployed underclass does hold down the economy, individual business executives most often worry about those who are on their payrolls but unable to read well enough to do their jobs.

These are employees who send out insurance payment checks for ten times the correct amount because they do not understand the use of the decimal point, who ruin batches of chemicals because they cannot read the names of the ingredients they are supposed to add to the mix, who let minor mishaps escalate into major accidents because they cannot read a red sign that says, "In an emergency, pull lever."

No one knows how much such undereducation is costing companies, but it has to be in the hundreds of millions of dollars every year. When the Center for Public Resources ran a study of the problem in 1982, it found only one company willing to estimate the annual cost of work botches and materials wasted because of employee illiteracy. That manufacturer's guess was \$250,000 — and it was only a medium-sized firm. Forty percent of the companies responding to the Center for Public Resources rated employee reading deficiencies as a serious problem.

The primary concern of business is the way a poor reader is a poor employee. But companies are worried, too, about how deficient readers affect other aspects of business. Product liability suits frequently are centered on the adequacy of a warning label, and juries find that complex wording just doesn't give fair notice of dangers to a marginally illiterate consumer.

Those who lose money in some chancy investment scheme similarly argue in court over whether or not they had been giving effective warnings of the risks involved. Gloria A. Lanza, vice president of the American Association of Advertising Agencies, explains, "If we are out there marketing, certainly it is in our interest to have more people who can read our ads."

This newly recognized self-interest is leading business into a deeper involvement with education than ever before. "We have to do work that I would consider the obligation of the schools," notes Edward Sutton, New York Telephone Co. assistant vice president in charge of human resources development. For a variety of companies, that work now includes:

- Getting more involved with the quality of teaching in their local public schools. Where once executives took a hands-off attitude toward the contentious debate over school standards, now they are leading fights to tougher graduation requirements and lending pressure.

William Bennett: Proponent of a Worldly View

By Lawrence Feinberg

WASHINGTON — At a time when conventional wisdom holds that education should promote technological change, the United States has a new secretary of education who believes that what students need most is more writing, literature, and history.

The new secretary, William J. Bennett, does not oppose computers or the other paraphernalia of high technology. But he gives them little respect. Instead of pushing for a new computer literacy, Mr. Bennett is an ardent proponent of an older, more traditional literacy, achieved by reading great literature, studying significant history, writing essays, and learning a foreign language and the methods of science.

According to Mr. Bennett, who holds advanced degrees in philosophy and law, the prime task of U.S. education should be to transmit the culture and values of Western civilization. Yet, it often fails to do so, he charges, even to the quarter of American young people who now graduate from college.

"We are a part and a product of Western civilization," Mr. Bennett wrote last fall in a report decrying the decline of the humanities programs at American colleges. "The core of the American college curriculum — its heart and soul — should be the civilization of the West, source of the most powerful and pervasive influences on America and all of its people. It is simply not possible for students to understand their society without studying its intellectual legacy."

Mr. Bennett said that giving students such an education ultimately will make them more employable, not less. Paradoxically, he suggests, it will make the U.S. economy more



William J. Bennett

"The core of the American college curriculum — its heart and soul — should be the civilization of the West . . ."

productive than the colleges do now by turning out legions of thinly trained graduates in business, communications and other vocational fields.

To support his polemics, Mr. Bennett has produced his studies. The most notable is a recent tabulation by the University of Texas, which shows its liberal arts majors to be thriving in careers of all sorts five to 10 years after graduation.

The study does note that they have more difficulty landing a first job than those with more specialized training.

The liberal arts graduates "are likely to have developed certain skills that are indispensable to all areas of work, skills such as research, writing, speaking, and analyzing," Mr. Bennett said. "They can then easily develop more specialized 'saleable skills' on-the-

job training, internships or graduate school.

Of course, Mr. Bennett is a partisan, but his voice is far from alone either in assessing what sort of education students need or in criticizing colleges for not giving it to them.

The most comprehensive forecasts of employment changes over the next decade, issued by the U.S. Labor Department, conclude that only 7 percent of new jobs in the United States will require advanced technical training.

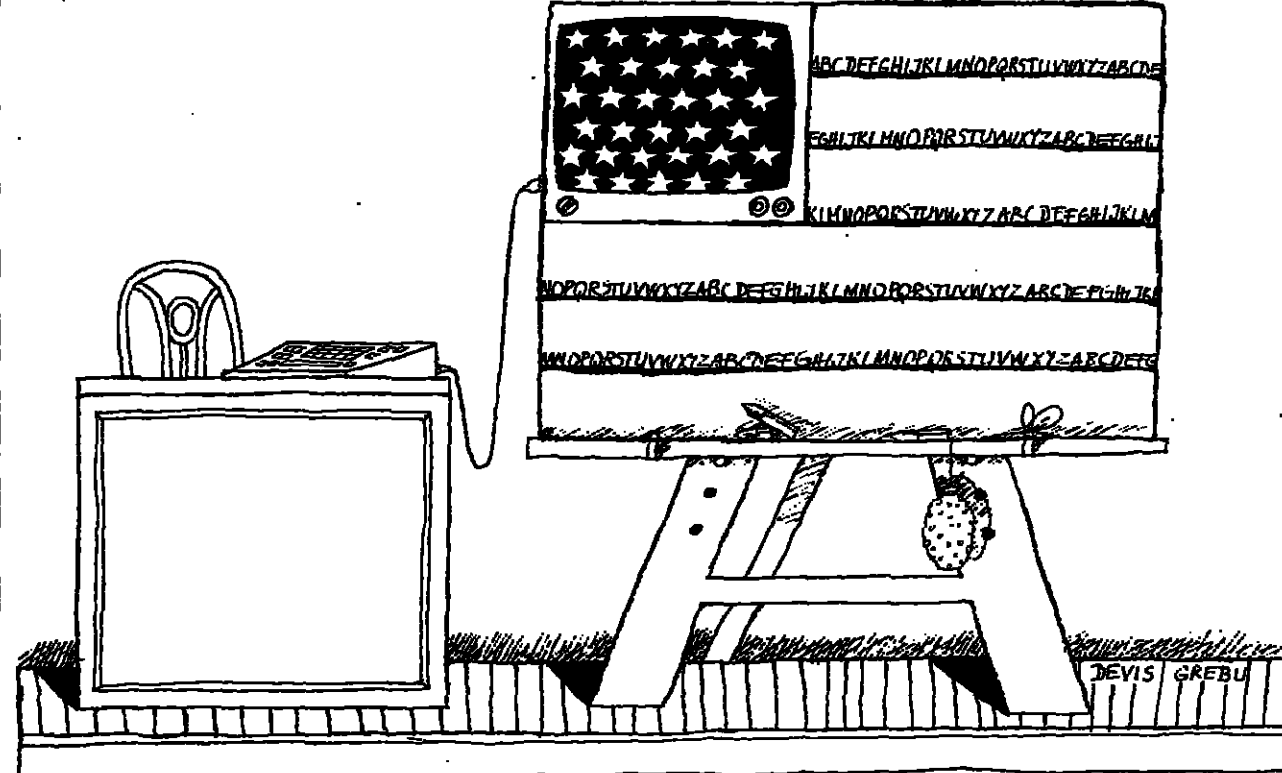
"It's true that a lot of people will be using computers on their jobs," said Russell W. Rumberger, an education professor at Stanford University, who has written extensively on technology and education. "But it is not true that they will need a high level of math and science to use them."

"That's not to say that the U.S. doesn't need a good, well-trained technical work force; it does," Mr. Rumberger added. "But that's not a very large part of it."

Despite some specific shortages, Mr. Rumberger said the demand for computer scientists and engineers appears well on the way to being met. The most persistent problem in the U.S. labor force, he said, is the poor level of analytical and writing skills even among many who are recent college graduates.

This, in turn, has prompted a vast expansion in education by U.S. companies. As documented by the Carnegie Foundation for the Advancement of Teaching, courses for corporate employees now cost more than \$40 billion a year and enroll nearly 8 million adults.

"Beyond the basics, more and more companies are teaching analytical skills and critical thinking," (Continued on Page 14)



What Computer Literacy Can Do for the West

By Edmund G. Brown Jr.

LOS ANGELES — Europe and the United States are aging and shrinking compared with the rest of the world. In the next 20 years, 700 million people will enter the international workforce. Of these, 90 percent will live outside the United States and Europe and most will seek a wage that is a mere fraction of what is expected by those living in the most advanced countries.

Edmund G. Brown Jr., former governor of California, is chairman of the National Commission on Industrial Innovation.

It is impossible to prosper under these conditions without deep changes in national behavior. At a minimum, this means a fundamental commitment to life-long learning and radically improved education.

As citizens of advanced but vulnerable economies, we must either relentlessly increase the quality of our skills or see our standard of living erode. For the future, competition between nations will be increasingly based on technological skill. Oil and natural resources will still be important, but they no longer will determine a nation's economic strength. This will now be a matter of the way

people organize themselves and the nature and quality of their work. Japan and the "new Japans" of East Asia are demonstrating this point in ways that are becoming painfully obvious to the older industrial countries.

There is simply no way to rest on our past achievements. Today's competition renders obsolete huge chunks of what we know and forces us to innovate. For each individual, several careers will be customary, and continuing education and retraining will be inescapable. To attain this extraordinary level of education, government, business, schools and

(Continued on Next Page)

A SPECIAL REPORT ON INTERNATIONAL EDUCATION

'Changed Lives' Study Alters Views on Preschool Education

NEW YORK — During the mid-1960s a group of early-childhood specialists in Ypsilanti, Michigan, began offering one to two years of education to a group of three-year-olds from impoverished backgrounds who had below-average IQs of 60 to 90.

Over the years researchers from the High/Scope Educational Research Foundation have kept in touch with these children, monitoring their educational and vocational progress and keeping track of how often they became involved with the police or social agencies.

Last year the foundation issued the latest in a series of reports, appropriately entitled "Changed Lives," that could turn out to be among the most influential documents in the history of U.S. education.

The researchers found that the children who had participated in what was known as the Perry Preschool Project graduated from high school and went on to jobs or further education at nearly twice the rate of children in a control group of nonparticipants. They also found that the preschool "graduates," who are now 20 years old, had fewer arrests, academic detentions or teen-age pregnancies.

The High/Scope research has received widespread national attention and helped fuel a growing interest in the United States among educators, parents and politicians in the instruction of children 3 to 5 years old.

Five states have recently enacted legislation making kindergarten attendance compulsory rather than optional, and at least a dozen others are considering doing so. States like Mississippi that did not require local school districts to provide kindergarten programs have passed

new laws requiring districts to offer preschool instruction.

New York state increased the amount of money it gives to local school districts for preschool programs from \$9 million to \$14 million this year, Gordon M. Aschbach, New York's commissioner of education, has been pressing the state legislature to lower the start of formal school from the age of six, the current practice, to four.

Numerous other states are taking

of U.S. primary and elementary schools, legislatures in virtually every state have enacted educational reform measures ranging from stiffer high school curriculum requirements to various projects to increase the standards and pay scales of teachers.

With reform plans for school-age children now on the books, many educators have begun to argue that it is time to focus attention on younger children.

Five U.S. states have recently enacted legislation making kindergarten attendance compulsory rather than optional, and at least a dozen others are considering doing so.

similar steps. In Connecticut, for example, a 30-member committee appointed by the commissioner of education recently recommended that early childhood programs become mandatory for handicapped children and others judged to be "at risk" with respect to future learning problems.

"Research indicates that high quality early childhood intervention programs are an effective means of altering the lives of economically disadvantaged children," the committee declared. "Such programs diminish the risks of retardation and improve participation in the general society."

The growing interest in early childhood education in the United States reflects several forces, beginning with the general concern about educational quality that has become a major political issue over the last two years. Following a series of reports criticizing the quality

of U.S. primary and elementary schools, legislatures in virtually every state have enacted educational reform measures ranging from stiffer high school curriculum requirements to various projects to increase the standards and pay scales of teachers.

Such arguments are bolstered by international studies showing that the academic performance of U.S. schoolchildren lags behind that of pupils in other countries. Last year a University of Michigan study, based on testing and observation of 1,440 first and fifth graders in Japan, Taiwan and the United States, reported that American pupils not only performed at a lower level than those from other countries but did so from virtually the first day of school.

Harold W. Stevenson, a professor of psychology who directed the project, suggested that one factor was that "the average American family does not take the responsibility

to provide the informal introduction to reading and mathematics that you find in other countries."

Other factors are also involved in the surge of interest in early childhood education, some of which have little to do with academics. With more women entering the work force in the United States, the number of children enrolled in preschool programs is growing. According to the National Center for

Education Statistics, the percentage of 3- and 4-year-olds in formal preschool programs nearly doubled between 1970 and 1982, from 21 to 36 percent. Enrollment of 5-year-olds in such programs went from 69 to 83 percent during the same period.

Twenty years ago, largely because of widely publicized programs such as Head Start, which has had demonstrable success in providing educational and social enrichment for disadvantaged youngsters, early childhood education was closely identified in the public mind with social welfare. Now that families with middle and upper-middle incomes are rushing their children into such programs, the image has flip-flopped.

Indeed, the National Center finds that participation in preschool education is positively correlated with family income. Among 3-year-olds, for example, two out

of five children from families with incomes above \$20,000 are involved in formal education programs, while for families with under \$10,000 in income the number is only one in five.

The fact that many children from families who can afford it already have their preschool children in formal programs has raised new questions of social justice. "It's a question of equity," said David A. Hamburg, president of the Carnegie Corporation of New York, which has been a longtime supporter of such programs. "Middle-class parents are already giving their children these benefits. It is in the interests of society to find some way of making them universal."

In the early 1970s Congress enacted legislation that would commit the country to a universal day-care system, but it was vetoed by President Richard M. Nixon, who said that it would undermine family structure. The chances of some new federal initiative in this area under the Reagan administration are regarded as slim.

Nevertheless, pressure is mounting at the state level for new programs to serve preschool students. One positive sign came at a recent conference convened by the Spring Hill Center, a foundation and conference center near Minneapolis, that brought together representatives of public schools systems and the day-care movement.

Ten years ago the two constituencies were fighting each other over who would control any federal preschool program. Would it be viewed as a downward extension of schooling, and thus under the control of public schools, or as an outward extension of the family?

In the end, of course, both sides lost. The Spring Hill conference produced something of a rapprochement between the two sides and a recognition that there is plenty of room for both of them. James K.

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Preschool Reform Studied in Sweden

By Westerly A. Donohue

STOCKHOLM — Sweden, which has been in the vanguard of European countries concerning reforms in higher education, is taking a new look at the methods employed in its preschool education system.

The government, at the urging of several community organizations, has set up a group, the Preschool School Committee, to study how best to develop preschool education so that reading and writing, for example, could be introduced already at the preschool level, which extends up to the age of 7, when children begin their formal school education.

The committee, headed by Göran Persson, municipal counselor for Katrineholm, will publish the findings of its study in May 1985. "We are trying to reform the school education so that we can use some of the methods that are used in formal schooling in the preschool years," Mr. Persson said.

There have been ongoing debates about too much playing in the preschools, which in Sweden is known as a *daghem* and which corresponds to a day-care center for children through the age of 7. Mr. Persson defends the "informal" activities of the *daghem* as facilitating the transition from preschool to formal education. "Playing is a sort of learning," he said, "and, thus, we think that the learning experiences gained in the preschool could be used advantageously in the later school years. The objective of the preschool is not merely to serve as a day-care center but to give the children a more firm pedagogical structure."

Activities at the day-care center are already being stepped in this direction. Everyday situations, children's games and adult work as well as contact with the immediate surroundings are used for learning and development.

The centers are organized on the basis that activities should be well-planned and based largely on the children's life situations, their interests, previous experience and special needs. The staff of each center continuously updates its program.

Creative activity is an important part of the work of the centers. Singing, rhythmic and dramatic creativity are standard, as

well as pictorial and plastic art using different methods.

Paints, clay, wood and other materials that encourage children to play together and that can be used in varied and imaginative ways are part of the basic equipment. Unstructured play is part of the daily program. Although picture recognition and random drawing are common among the children's activities, reading and writing are not taught in any formal manner until after they begin regular primary school, at the age of 7.

Interaction between adults and children is given priority in day-care activity. Another important area concerns daily chores related to cooking, dishwashing, cleaning,

have strictly divided work tasks but should work side by side and make decisions together on different activities.

Staff members of day-care centers mainly include preschool teachers and children's nurses. Preschool teachers undergo a two-year training course after high school. Children's nurse training takes place within the high school's two-year nursing course, but it is also available in special courses lasting one term or one school year.

Preschool programs, officials say, are not meant to be regarded as a substitute for the parents' role in caring for children.

When a child is in a program for at least four hours a day it is re-

Even political opponents agree that families should have the right to decide how to arrange day-care and that the choice would not imply a worsening of their economic situation.

gardening, repairs and errands. The children can work together in these and take joint responsibilities.

To avoid isolating the center from the rest of society, it is an important principle that the preschool should operate in relatively small units in residential areas, making it easier for parents to work together with the center.

Children in day-care centers are usually divided into separate age categories or according to the principle of the sibling groups and infant groups.

Age grouping used to be the rule, but today it is increasingly common for groups to be based on age mixing.

Centers are generally open during so-called normal working hours, 6:30-6:45 A.M. to 6:30 P.M. In a few municipalities a state-subsidized pilot project is testing evening and night centers.

Collaboration with parents, sibling group activities and work teams are special characteristics of Swedish preschool working methods. The work-team concept implies that personnel should not

be regarded as a day nursery program. Part-time groups are mainly intended for somewhat older preschool aged children.

There are also family day nurseries, where childminders are employed by the municipality to take up to four children into their own homes for day-care.

That day-care in Sweden is free is a myth, but it is low-cost. The average family pays for a place annually 5,000 kronor (\$543.50). The overwhelming portion of the system is funded through taxation. Can the Swedish treasury afford the high cost of maintaining day-care centers? Deputy Prime Minister Ingvar Carlsson believes it can. "The government has always said that there is room for a number of reforms," he said, however, "child care for all is among them."

But up to now the privilege of "child care for all" has not been funded, nor is it likely to be by 1990.

With the waiting time from one to three years, depending on the region and population density, promises of public child care for all in Sweden remain empty.

It is a highly frustrating situation for families in a country where more than 80 percent of the women work (compared to 27 percent in 1965) and where the steeply progressive income tax rates force them out of the home.

The Swedish Supreme Administrative Court ruled last October that a municipality (the legislative unit charged with day-care administration) has no obligation to provide child-care services and that a day-care place for a child already provided for could be taken away.

"It is clearly a municipal service without obligation to be given to everyone," said Gustaf Petters, of the Supreme Administrative Court, commenting on the decision. "A day-care place is not something you receive for life," he said.

The political parties opposing the ruling Social Democratic government is gaining considerable ground on day-care issues. "Freedom of choice" is a motto echoed by the Center (farmers') and Moderate (conservative) parties, although the two have strongly divergent ideas about day-care.

One common point, however, is that families should have the right to decide how to arrange day-care

(Continued on Next Page)

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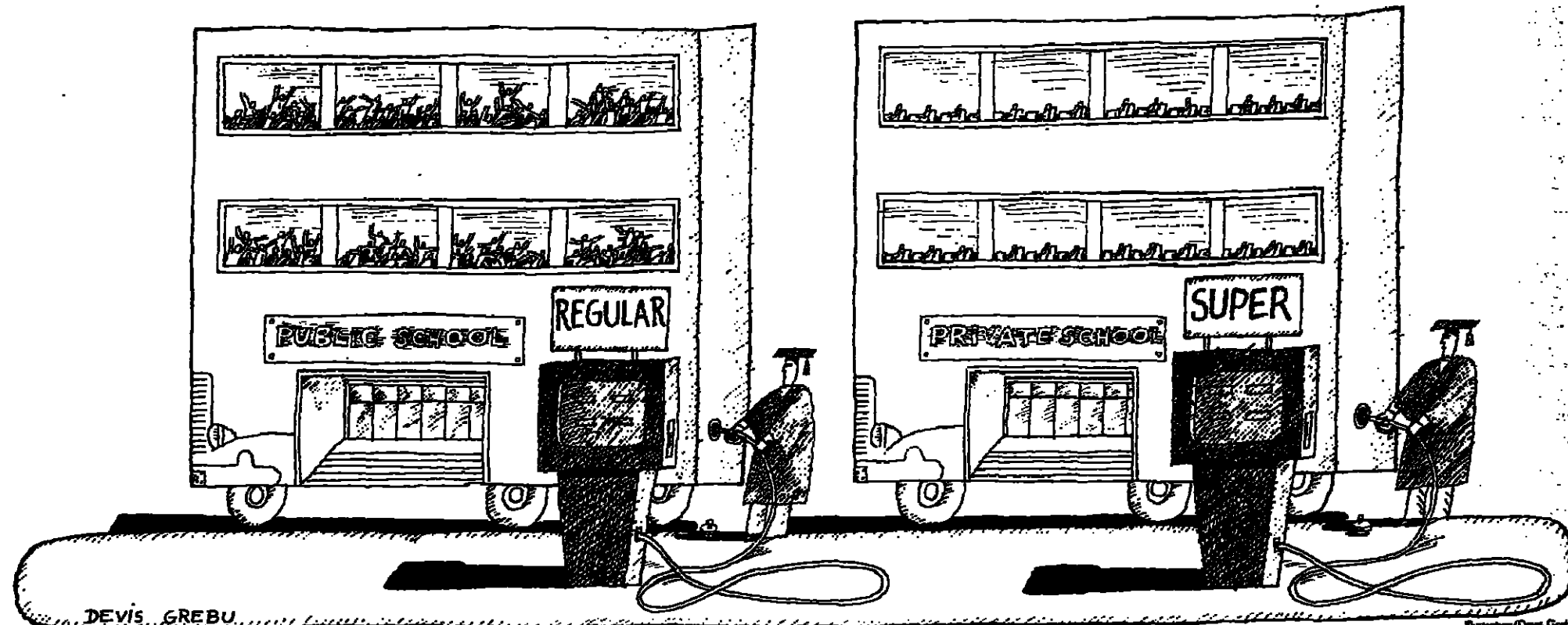
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A SPECIAL REPORT ON INTERNATIONAL EDUCATION



DEVIS GREBU

In Europe, the Debate Widens on Public vs. Private Education

By Michael Mercalfe

PARIS — The argument about private versus public education has flared into a full-scale and often fiery row all across Europe.

From countries as diverse as Denmark and Spain, Britain and

Greece, the call for change in methods and forms of schooling has grown shriller, often pitting church against state, parent against teacher, and pupil against pupil.

Some of the most widely publicized and forceful illustrations of

public discontent with education in state schools were the demonstrations last year by millions of parents in France and Spain.

In Paris last June, more than a million people marched to protest the Socialist government's plans to merge private schools with the state system. The plans have since been shelved. In Madrid last autumn, another million demonstrated their concern over much the same issue. At stake has been the quality of education. Over the last 20 years

most European countries have made a major leap in education. Compulsory schooling has been extended to more youth than ever before.

Now the emphasis has shifted from bringing about greater equality of educational opportunity to improving the quality of schooling. This fundamental change has largely been spurred by often vociferous dissatisfaction from parental and other pressure groups.

A recent report on compulsory

schooling prepared by the Organization for Economic Cooperation and Development in Paris drew attention to the "tremendous economic efforts during the past 20 years to invest in the material provision of schools and to carry out sweeping structural, organizational and curricular reforms."

The OECD report noted that the efforts had brought considerable success, but that success had been measured largely in material terms. "The next phase will call for emphasis on less tangible improvements which will necessarily prove more difficult to achieve than the fulfillment of quantitative targets," the report said.

Economic recession and widespread unemployment in Europe have stimulated efforts to find new solutions to the old problem of preparing youth for adult life.

Cutbacks in public spending by most European governments, demographic changes, including declining populations as in West Germany and Denmark, the reduced number of teachers and new approaches to teachers and curricula, have all left their marks on the educational landscape of many European countries.

There is a movement toward reinforcing the school as a teaching institution rather than a socializing institution; this is partly to do with dissatisfaction about more permissive pedagogy. George Papadopoulos, deputy director for education at the OECD, said recently:

Nowhere has this dissatisfaction been expressed more acrimoniously than in France. There, the controversy began over the reforms of René Haby, education minister under President Valéry Giscard d'Estaing. These reforms, enacted in 1975 in a spirit of egalitarianism, chiefly had to do with the abolition of different types of education for different pupils. As the OECD noted in its report: "The differentiated system focused attention on the criteria used for selection." Abolishing selection raised the question of what the curriculum objectives common to all pupils should be, the report added.

The reform proposals caused broad protest, not the least among teachers. The debate also extended into the realm of parental choice and assumed political proportions as parliamentary opposition groups of the right and center took up the cause.

The net result in France has been a swing away from socialization and a unified state school system toward efforts to improve educational standards, the so-called "return to basics." As one French Education Ministry official noted: "If we hadn't done it, the parents would have forced the issue anyway."

Under the proposals recently endorsed by the French cabinet, Education Minister Jean-Pierre Chevènement has been given a mandate to reform the primary school curriculum. It restores the emphasis on the acquisition of knowledge through basic facts, literacy and arithmetic.

The shift in education policy will later be applied to France's comprehensive schools and eventually the lycées, but it has already stirred controversy in the French Left. Former Education Minister Alain Savary, target of criticism for his moves to push through a unified

state school system and reforms in higher education, said recently: "A conservative wind is sweeping much of the Western world... but it is blowing with more force in France than in neighboring countries."

In other European countries as well, the public schools are often found wanting in the primary and lower secondary school areas, and the challenge to them is growing in intensity.

In Spain, for example, more than 36 percent of schools are private and the number is on the increase. According to OECD compilations, in nine of 14 European countries enrollment at noncompulsory or private schools is growing at the expense of primary and secondary compulsory education.

The reasons for the challenge to state schools vary from country to country.

The OECD report notes that in Scandinavia, for example, not only do comprehensive schools for students of all abilities exist but so does the teaching of most subjects to students with mixed ability. There is only restricted scope for alternatives in the curriculum.

In Norway, for example, there has been controversy about the decision to implement fully-mixed teaching in mathematics and foreign languages. In other European countries, these key academic subjects still carry the vestiges of ability grouping based on self-selection.

Furthermore, as the OECD added, "what generates controversy in Scandinavia is not whether there should be a unified examination system at the end of compulsory education but whether formal assessment by means of marking should be totally abolished."

This issue has been the subject of much debate in Denmark. There private, or alternative, schools have become increasingly popular because the state provides subsidies and grants to parents, pupils and teachers wishing to opt out of public schooling and set up or participate in private schools.

In Britain, by contrast, a central issue has become how to define a common core of curriculum requirements for all pupils and to what extent the examination system at the end of lower secondary education should be simplified.

"The question of ability grouping is also controversial in Britain, but the debate centers on merits of streaming practices more extreme even than those which were abandoned already in the early 'experimental' stage of the Scandinavian comprehensive schools," added the OECD.

Because the reasons for the dissatisfaction with public education in Western Europe are so varied and the discontent so intense, the debate over public versus private schools will remain embroiled in controversy for years to come.

Reform Plan Studied in Sweden

(Continued From Previous Page)

and that the choice would not imply a worsening of their economic situation. Otherwise, "current public debate in Sweden is increasingly based on the assumption that day nurseries have come to stay. Discussions are no longer so much concerned with the issue of whether day nurseries are 'good or bad,' but... on the question of what constitutes a good day nursery," asserts a paper, "Children Programs in Sweden," published by the Swedish Institute.

Projected day-care demand by 1987 is 391,200 places, while supply is forecast by latest estimates to reach only 99,300, according to the paper.

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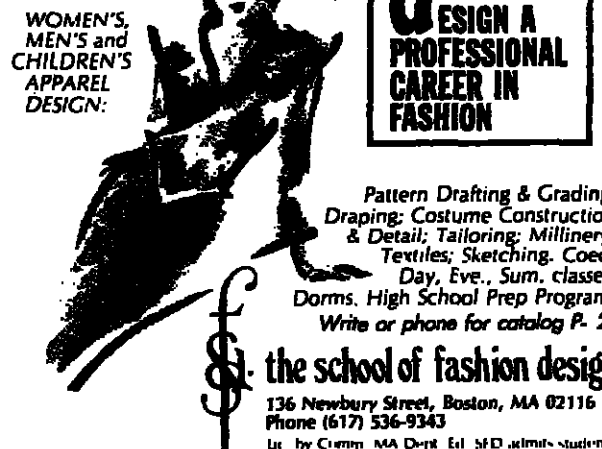
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Design Trans Furni

By Kate Sini

MILAN — Like the right man in the right place, the right furniture is now that enough now that it is not just an educator and an artist, the Jolly Arredo company is now a furniture for nursery school children.

Until then, the public Italian look, whose actions had already into the world's design not felt there was no idea to be found in preschool children.

But if the ground was not unwelcome, Arredo and its founder, Alessandra Guerzoni, Alessandra Guerzoni, in award-winning firm more than 300 schools in northern Italy, catering from 6 months old to first orders from the

"The design of buildings for infants' schools in Italy can be advanced by any due to the sort of collaboration has grown up between teachers and local authorities, fortunately the picture the further up the scale, and by the time university, it's disastrous."

What probably is preschool education is overcrowding and poor learning is the fact school education is the idea that education is for better or worse, and that pres- ions should be more grounds for working emphatically expressed first half of the century. Montessori, whose education has gone national boundaries.

But it was only in Italian government to acting legislation that

Japan

By Jack Bu

TOKYO — Japan acknowledged to be the West when it comes to physically handicapped children.

A survey conducted by the Japanese government during the last year of disability found that the highest rate of satisfaction concerning education for handicapped among five nations surveyed was in Japan.

The reason for this is partly financial. Being poor country compared until the 1960s, Japan afforded the high spending in establishing special education.

In addition, Japan has a tradition of believing in private welfare with a low ratio of public spending, and it was the family would have responsibility for taking disadvantaged, including handicapped.

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A SPECIAL REPORT ON INTERNATIONAL EDUCATION

Designers' Work Transforms School Furnishing in Italy

By Kate Singleton

MILAN — Like most good slogans, "the right material in the right place" sounds obvious enough now that it has been coined. But when a designer, an educator and an artisan established the Jolly Arredo company to make furniture for nursery schools in 1974 they were treading new ground.

Until then, the purveyors of the Italian Look, whose elegant creations had already turned Milan into the world's design capital had not felt there was much gratification to be found in designing for preschool children.

But if the ground was untrodden it was not unwelcome for Jolly Arredo and its founders, Carlo Guenzi, Alessandra Giorgetti and Elio Giorgetti. In 10 years, the award-winning firm has furnished more than 300 schools, mostly in northern Italy, catering to children from 6 months old to 6 years. The company is now dealing with its first orders from the Middle East.

"The design of buildings and furnishings for infants' and primary schools in Italy can now be said to be advanced by any standards," Mr. Guenzi said. "This is largely due to the sort of collaboration that has grown up between designers, teachers and local authorities. Unfortunately the picture grows less rosy the further up the ladder you go, and by the time you reach the university, it's disastrous."

What probably saved Italian preschool education from the overcrowding and poor equipment found at many of the seats of higher learning is the fact that preschool education is relatively new. The idea that children are educable, for better or worse, from their infancy and that preschool institutions should be more than parking grounds for working mothers was emphatically expressed during the first half of the century by Maria Montessori, whose influence on education has gone well beyond national boundaries.

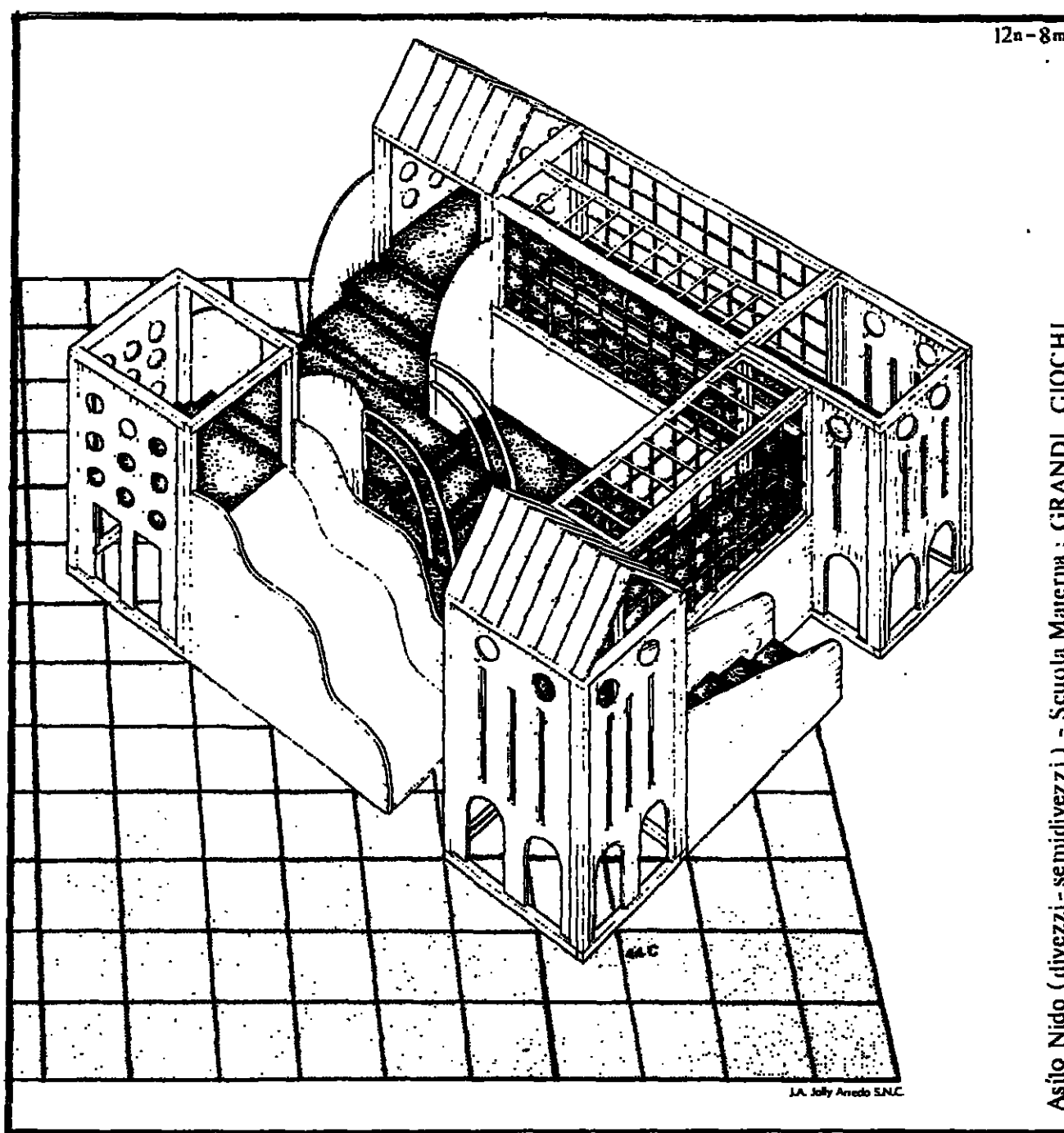
But it was only in 1971 that the Italian government took over, enacting legislation that was to act as

a guideline for regional authorities. Lombardy, the Emilia region, the Veneto and Tuscany, soon took the lead. The teacher-child ratio was fixed, with an ideal of six to one, and new staff qualifications were introduced. The governing body of each school had to comprise at least a teacher, a parent, a municipal representative and a union representative. Standards and materials were defined for windows, walls, flooring, and working surfaces. General guidelines were established for buildings and furniture.

The Lombardy region went a step further, and others have since followed. In 1978, it invited building contractors to team with architects and provide plans for cost-defined, prefabricated school buildings. The aim was to have a repertoire of ready solutions from which local authorities could choose and achieve the sort of school that best suited them in the shortest time. A considerable number of these schools have been built, often in collaboration with firms like Jolly Arredo for all aspects of furnishing.

Jolly Arredo, which won the Compasso d'Oro industrial design award in 1979, started with almost no financial backing and relied on a limited output of experimental objects. They were mostly made of components already available on the market. Other furniture firms made substantial investments in one type of production and promoted products more on the basis of smart images than on practical qualities and versatility. Not surprisingly, such companies found they could not get their foot in the classroom door. Infants' school furniture is selected by people who spend their whole day with toddlers and are not preoccupied with image.

Jolly Arredo gets the component parts of its line from firms in the triangular area between Milan, Como and Varese. The many small-to-medium size companies in the area can cope with difficult manufacturing tasks and make innovative suggestions of their own.



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These companies are the basis of Jolly Arredo's flexibility. They can meet new needs when feedback from the schools calls for small changes in products.

It is a system that also cuts down on expensive storage space: assembly is simple and takes place when orders are made.

The materials used in Mr. Guenzi's designs are basic and straight-

forward: iron, rubber, canvas or plastic laminate, but mainly wood varnished to look as natural as possible. Wood suitably treated is hygienic, has a pleasant temperature to the touch, is stimulating to the eye and is sturdy, yet not too heavy.

Jolly Arredo's wooden chairs have rounded corners. They can be stacked, made into little desks when turned upside down and

moved around by small children. Stackable chairs with a metal structure for the slightly older age group have plywood seats, special plastic backs and round plastic feet that deaden the noise when the chairs are dragged across the floor.

There are wooden feeding tables with laminate tops and three interlocking sides where chairs can be attached so that a teacher can feed

three charges at the same time. Alongside the rectangular tables, there are trapezoidal ones that fit together in a variety of shapes. Then there are big boxes that fit together to make tunnels or houses, beds that can be stored in container trolleys when the afternoon nap is over, thick sturdy waterproof mats, cubes and semicircles for building little theaters.

Japanese Grapple With Ways to Teach the Handicapped

By Jack Burton

TOKYO — Japan is generally acknowledged to be lagging behind the West when it comes to the education of physically or mentally handicapped children.

A survey conducted by the Japanese government during the international year of disabled persons in 1981 found that the Japanese expressed the highest rate of dissatisfaction concerning educational facilities for handicapped children among five nations surveyed, the United States, France, West Germany and Sweden.

The reason for this negligence is partly financial. Being a relatively poor country compared to the West until the 1960s, Japan could not afford the high spending involved in establishing special schools for the handicapped.

In addition, Japan has had a long tradition of believing in a family-centered private welfare system with a low ratio of public welfare spending, and it was expected that the family would have the prime responsibility for taking care of the disadvantaged, including the handicapped.

But the handicapped have also faced discrimination in a society that places great stress on homogeneity. "For many years, handicapped persons in Japan were isolated and regarded as worthless until the day of high economic growth," said Mainichi Shimbun in an editorial during the international year of disabled persons.

"The main government policy was to isolate them in an apparent effort to protect them from unfriendly or curious eyes," he said. "We cannot erase a long unsympathetic historical background at a single stroke," it added.

In recent years, the Japanese government has sought to redress that imbalance. In 1955, for example, there were only five schools for the handicapped with 358 students (excluding 176 schools for the blind and deaf, which have a longer history in Japan due to the influence of American missionaries in the 19th century).

By 1983, there were 713 schools for the handicapped with 76,771 students up through the age of 15 (excluding another 17,500 in schools for the blind and deaf). This growth, which made its great-

est advance during the last decade, was fueled by a decision in 1979 to make education compulsory for handicapped children.

Per-capita expenditure in public educational institutions for the handicapped is roughly three times that spent in state universities, and the student-teacher ratio in schools for the handicapped is an impres-

sive three-to-one, according to the Ministry of Education. Despite these improvements, the government's policy on the education of the handicapped is still subject to criticism by some teachers and parents. The chief complaint is that placing handicapped children in the newly built special schools fosters their isolation from the rest of society.

The number of children attending special classes for the handi-

capped in regular elementary and junior high schools has declined from 11,000 in 1980 due to the growth of special schools.

Although the issue of integrated education for the handicapped is hotly debated, it is considered beneficial in at least some cases. And segregating the handicapped into special schools is of particular con-

cern in Japan where one's educational background plays a greater role in determining one's future than in the West.

Parents of handicapped children, especially those with minor disabilities, fear that enrolling them in the special schools will stigmatize them for the rest of their lives.

The determination of whether a child goes to a regular or special school is made by the municipal

education boards and there have been a number of cases in recent years of parents challenging the boards' decisions. In one typical case, it took a 13-year-old boy stricken with polio six years to be finally accepted into a regular school.

The trend of channeling the handicapped into special schools is likely to continue. Because of the 1979 law requiring each prefecture to establish a set number of schools for the disabled, school boards have a vested interest in filling their quota of students. Moreover, regular schools are ill-equipped to handle large numbers of handicapped students.

Despite a decision in 1975 by the Tokyo Education Board to remodel its schools to accommodate handicapped students, only a handful have installed the necessary facilities such as wheelchair ramps and special toilets.

Public opinion largely backs the segregation policy out of the belief that the presence of handicapped students in regular schools will slow the pace of learning in Japan's highly competitive academic atmosphere.

When questioned during the international year of disabled persons poll about what type of facility handicapped children should attend, 88 percent of Japanese replied that they should be placed, with some exceptions, in special schools.

This contrasted with the reply of 52 percent of the Swedes questioned who believed that all handicapped children should study in a regular school with other children.

There have also been cases of local residents opposing the building of schools for the handicapped in their neighborhoods, which contributes to the feeling that the handicapped should remain an unseen minority.

The prospect that most handicapped students will have some form of higher education remains bleak as well. While 61.8 percent of handicapped students graduating from junior high schools went on to attend senior high school, 1.2 percent of senior high school graduates entered university level schools. Comparable figures for blind high school graduates were 50 percent and deaf graduates 27 percent.

Japan has had a long tradition of believing in a family-centered private welfare system.

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A SPECIAL REPORT ON INTERNATIONAL EDUCATION

Functional Illiteracy Persists in Canada Despite Education

By Ann Duncan

MONTREAL — Canadians tend to think that they have a fairly good state-run school system. But the truth is that many Canadian schools have not been doing their fundamental job — providing students with the basic skills of reading, writing and arithmetic.

"Our percentage of illiterates and functional illiterates in Canada is among the highest percentage of Western industrialized countries," says James Draper, professor of adult education at the Ontario Institute for Studies in Education and a former president of World Literacy of Canada.

"Canada has been complacent and has thought of itself as having a far better educational system than it has had," says Ian Morrison, executive director of the Canadian Association for Adult Education. "The persistence of illiteracy is evidence of that."

As in most Western countries, Canada does not keep precise statistics about how many of its citizens cannot read and write. Instead, figures are kept about the number of Canadians who reach certain levels in school. It is widely accepted among edu-

cators that an adult who has not successfully completed four years of school would not have enough basic skills to be considered literate and that a person with fewer than nine years of schooling is likely to be functionally illiterate.

In other words, he or she would not have enough knowledge of reading, writing and arithmetic to function fully and easily in the modern industrialized world.

Based on those criteria, the 1981 Canadian census found that 21.9 percent of Canadian adults could be considered functionally illiterate. This is slightly more than four million people over the age of 15 who no longer attended school full-time. About one-fifth of these people could be considered illiterate, the statistics showed.

These figures indicate that there is a higher percentage of illiterates and functional illiterates in Canada than there is in the United States, Britain and most other northern European countries.

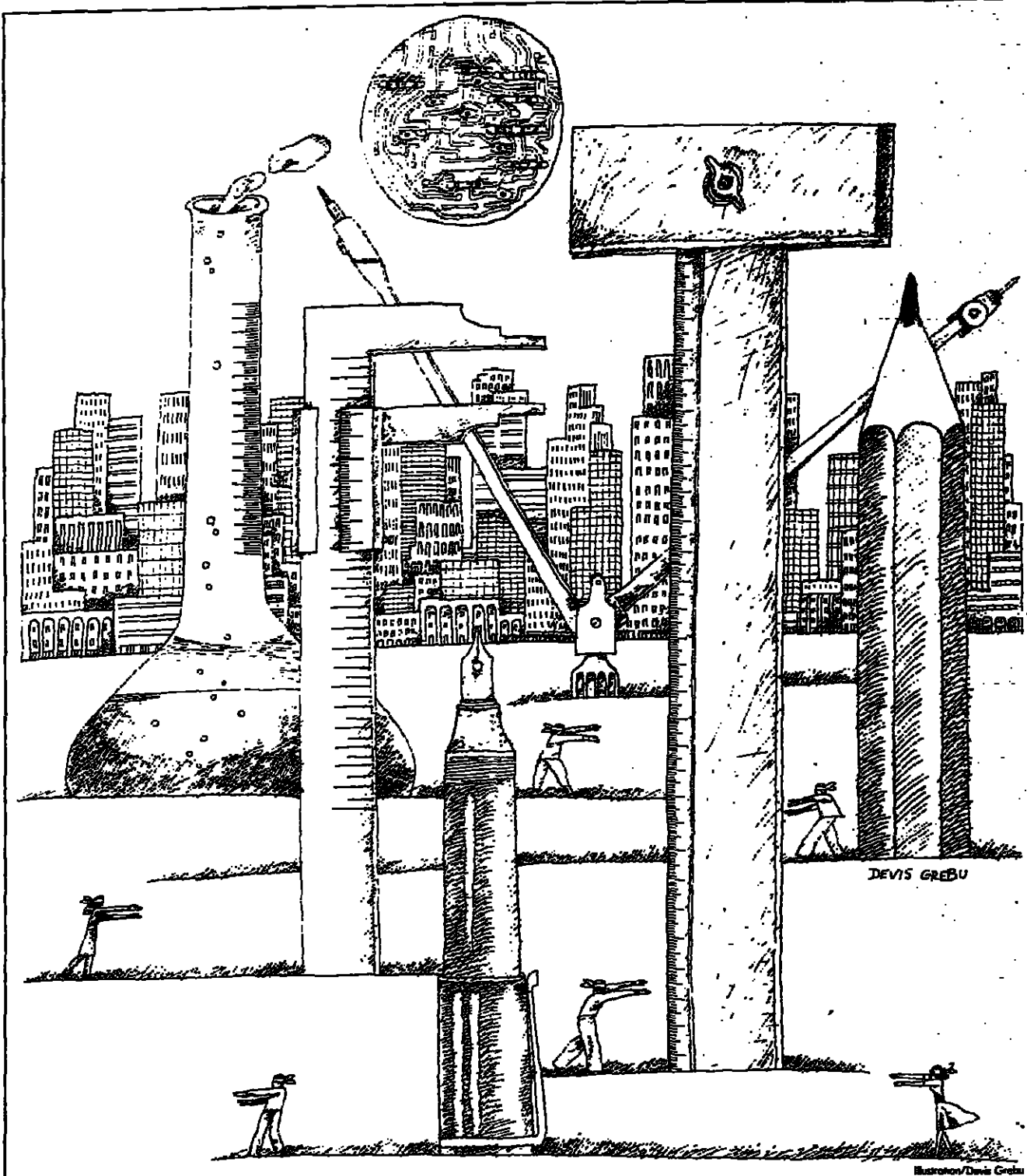
"The myth of Canada being a highly educated country has burst," Mr. Draper said in a telephone interview from Toronto.

However, myths persist about who the functional illiterates are. Many people believe that illiteracy in Canada is more prevalent among immigrants and in rural areas.

But statistics show that the vast majority of functional illiterates are native-born Canadians, living in cities. Montreal has the highest concentration of "undereducated" adults of any major Canadian city. According to the 1976 census, 32.1 percent of Montreal adults who no longer attend school full-time had successfully completed fewer than nine years of school.

Why should Canada have such a poor literacy track record? None of the experts interviewed could provide a full explanation.

However, major reasons cited included television (Canadians are among the heaviest viewers of television in the world), a growing lack of concern about language and family background. Statistics show that illiteracy begets illiteracy: the



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handicap is passed on from one generation to the next.

But the experts agree that schools must shoulder a major portion of the responsibility for the state of literacy in Canada.

Susan Craig, an administrator of an adult literacy program for the Protestant School Board of Greater Montreal, tells about a man who has a high-school diploma but who entered her program recently so that he could learn to write letters.

"If you can graduate from high school and can't write your girlfriend then there is something very wrong," Miss Craig says.

"The problem now is that few people write, and very little writing is done in schools," said Patrick Dias, director of McGill University's Center for the Study and Teaching of Writing.

Students photocopy pages from textbooks rather than taking notes. Mr. Dias said, and multiple-choice examinations, which have been used heavily throughout the school system for years, do not teach students to express themselves on paper.

In Quebec, at least, bilingualism may have exacerbated the illiteracy problem.

Miss Craig said that many of her program's students are native-born Canadians who spoke, for example, Italian at home, French on the streets and only learned English during the first few years of school.

These are the crucial years in terms of learning to read and write, and many of these people simply got left behind, she says.

Despite the enormity of the illiteracy problem in Canada, the ex-

perts say that relatively little has been done to eradicate illiteracy here.

Britain and the United States have both undertaken national anti-illiteracy campaigns. But action in Canada has been, at best, piecemeal, poorly funded and erratic. Much of the work has been left to local school boards and voluntary groups.

In addition, many Canadian politicians and much of the general public still refuse to acknowledge that Canada has a serious illiteracy problem, the experts say.

"It tends to be a closet issue," says Gerald Bleser, president of Lambch Literary of Canada, one of the country's main voluntary groups dedicated to teaching illiterate adults to read and write.

Part of the difficulty in mounting a national anti-illiteracy campaign in Canada stems from the country's federal system.

Constitutionally, education is a provincial matter. But the federal government plays a major role in education by giving grants and subsidies, and by organizing training programs for the unemployed, immigrants and native peoples.

The federal involvement in education amounts to from six to seven billion Canadian dollars (about \$4.5 to \$5.2 billion), a year, Mr. Morrison said.

However, in the late 1970s, the federal government all but abandoned any participation in providing basic reading and writing programs for adults, preferring to sponsor job retraining programs.

Johnny Still Can't Read Well Enough to Work

(Continued From Page 9)

somel to upgrade the level of teaching. Texas Instruments Inc. lends staffers to enrich science and math courses in Dallas public schools, and the telephone company in Atlanta has similar programs. Across the country, companies such as Riggs National Bank of

Washington, the manufacturer A.O. Smith, and Northwestern Mutual Life Insurance have "adopted" local schools and provide a regular flow of aides and materials. Dayton-Hudson's B. Dalton Bookseller chain pays for dynamic speakers to travel to meetings of teachers to inspire them to heightened performance in the classroom.

* Taking a more direct hand in teaching the illiterate to read, B. Dalton has promised Literacy Volunteers of America that it will find 50,000 volunteer tutors by the end of next year, by leasing on its own employees, asking other companies to do the same, and publicizing the need in its own stores and mail-order catalogues. The Chicago Tribune has just begun what it promises will be an annual program of grants to literacy programs in Illinois. Gulf & Western Industries Inc., J.C. Penney Co., and Citicorp are among the corporations that lead facilities for literacy courses.

Motorola Inc. similarly gives room at its Austin, Texas, plant for courses in English to those who neither speak nor read the language.

* Adding more basic skills to their own training programs. Man-

ufacturers Hanover bank teaches simple arithmetic. Chrysler Corp. runs a program in reading skills. NCR Corp. offers basic English grammar. United Technologies Corp. and Aetna Life & Casualty Co. are among the companies that use the Literacy Volunteers of America program in-house for their own employees. Gillette Co. offers basic programs at before-work and after-work sessions; Nabisco Brands Inc. has spelling classes at its Planters Peanut division. The American Association for Adult & Continuing Education found one big retail chain with 10,000 employees — five percent of its total work force — in basic skills class at any given time.

Predicts Dorothy Shields, education director of the AFL-CIO, the union federation: "By the 1990s, anyone who doesn't have at least a 12th-grade reading, writing, and calculating level will be absolutely lost."

seen as an uphill battle in the United States. The number of new entrants to the pool of functionally illiterate adult Americans is estimated to grow by close to 10 percent a year — 1.3 million immigrants with little or no English and 1 million teen-agers leaving school without the ability to read at the 6th-grade level. And the definition of what literacy is "functional" is sure to rise in the years ahead.

EDWARD DE BONO was a Rhodes scholar at Oxford and has held appointments at the universities of Oxford, Cambridge, London and Harvard. He has written 25 books including *Future Positive*, *Lateral Thinking for Management*, and *Tactics*, to be published this year.

EDMUND G. BROWN JR., former governor of California, is chairman of the National Commission on Industrial Innovation, which has proposed a national strategy for using computers in U.S. public schools.

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TUESDAY, FEBRUARY 26, 1985

New Options Some Cash

NEW YORK — That have years, not the cash. Exchange plans to that the new option. Pandora's box of futures markets.

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Frankfurt	1,475	1,735
London	1,475	1,735
Paris	1,475	1,735
New York	1,475	1,735
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City	1984	1985
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Asian Dollar Rate

City	1984	1985
Amsterdam	1,258	1,417
Brussels	1,475	1,735
Frankfurt	1,475	1,735
London	1,475	1,735
Paris	1,475	1,735
New York	1,475	1,735
Porto	1,475	1,735
Torino	1,475	1,735
Zurich	1,475	1,735
ECU	1,475	1,735
SDR	1,475	1,735

Key Money Rates

City	1984	1985
Amsterdam	1,258	1,417
Brussels	1,475	1,735
Frankfurt	1,475	1,735
London	1,475	1,735
Paris	1,475	1,735
New York	1,475	1,735
Porto	1,475	1,735
Torino	1,475	1,735
Zurich	1,475	1,735
ECU	1,475	1,735
SDR	1,475	1,735

West Germany

City	1984	1985
Amsterdam	1,258	1,417
Brussels	1,475	1,735
Frankfurt	1,475	1,735
London	1,475	1,735
Paris	1,475	1,735
New York	1,475	1,735
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Torino	1,475	1,735
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SDR	1,475	1,735

France

City	1984	1985
Amsterdam	1,258	1,417
Brussels	1,475	1,735
Frankfurt	1,475	1,735
London	1,475	1,735
Paris	1,475	1,735
New York	1,475	1,735
Porto	1,475	1,735
Torino	1,475	1,735
Zurich	1,475	1,735
ECU	1,475	1,735
SDR	1,475	1,735

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TUESDAY, FEBRUARY 26, 1985

FUTURES AND OPTIONS

New Option System Worries Some Commodities Traders

By H.J. MAIDENBERG
New York Times Service

NEW YORK — Of all the innovative options markets that have opened or have been proposed in recent years, none has so rattled the commodities industry as the cash-settled gold options that the American Stock Exchange plans to start trading in early April.

The reason many in the industry are seething at the Amex is that the new options will be traded in a manner that could open a Pandora's box of problems for members of existing options and futures markets.

Their quarrel is not with trading in gold options that would be settled in cash at expiration time, rather than by the delivery of a corresponding futures contract.

The system would leave an audit trail, a sensitive subject in commodity markets.

Cash-settled stock-index futures and options have been traded for several years. Nor are they upset that the Amex's gold option is the first on a physical commodity approved by the Commodity Futures Trading Commission.

What does bother many traders is the system the Amex plans to use. In fact, the Chicago Board of Trade petitioned the commission to outlaw the "board broker" system, saying it would undermine the existing method of trading futures and options based on futures.

Last week, after the federal regulatory agency approved the Amex plan, the Chicago exchange said that it would not pursue its opposition, despite the many reservations it still has.

The board-broker system is a cross between the traditional "open outcry" trading method used on commodity exchanges and the specialist system used in the securities markets.

"We can understand why our board-broker system upsets our friends on other commodities markets," said Kenneth R. Leibler, senior vice president of the Amex and chairman of its new American Commodities Corp., which will trade the gold options.

"Under our system, the market makers on the exchange floor will not be able to trade for their own account, and because there will be no 'audit trail,' any special knowledge that the board brokers may have will be of no use to them," Mr. Leibler said.

Moreover, the Amex system would leave a clear "audit trail," a most sensitive subject in the commodity markets. It also is a subject that the federal regulators of commodity trading are scrutinizing.

An audit trail is a system for recording the timing of trades. Because of the frenzied activity in some of the markets, it has become almost impossible for floor traders and brokers to record the times at which trades occur.

Last week, in a striking example of the pandemonium that often prevails, a trader in the Chicago Board's volatile Treasury bond futures pit bit another trader who had taken their place, causing a bloody wound, according to several traders who noted that while biting was unusual in this most active of all futures pits, pushing, kicking, and elbowing occur routinely.

Such trading conditions have led to an increasing number of lawsuits by traders and investors asserting that they lost money because their orders were not executed in a timely manner or at the prices they wanted.

Despite all that, the floor traders, who control the commodity exchanges, seem to thrive on the bedlam and many are vehemently opposed to seeing any changes in the way they earn their livelihood.

And changes there would be under the Amex system. "Aside from capturing the time-order sequence, the audit trail of our board broker system would also capture bid and asked prices as well as identify the floor broker who executed the order so every trade can easily be reconstructed," Mr. Leibler said.

There are no bid and asked prices on commodity exchanges, where trading is a continuous auction.

Dollar Up, Gold Falls In Europe

No Intervention Seen in Market

The Associated Press
LONDON — The dollar extended its historic rally on European foreign-exchange markets Monday in a broad and powerful advance as central banks apparently refused to intervene against the currency's surge.

Every morning when we come in, the previous day's closing price looks cheap," one trader in Frankfurt said of the dollar.

As the dollar rose against European currencies, gold prices tumbled to levels last seen in 1979, dropping nearly \$15 an ounce in Europe's major bullion centers after edging higher as the day began in Hong Kong.

In London, Anthony G. Chappell, director of worldwide foreign-exchange trading for Irving Trust Co., agreed with many traders who said President Ronald Reagan had given the dollar the green light last Thursday when he said the United States should not attempt to hold the dollar down.

"That eventually spelled out the suspicion of us all that central-bank intervention doesn't work. I believe the central banks decided to let the markets run free for a while," Mr. Chappell said.

West German monetary officials, while declining to comment for the record, said that European central-bank interventions would gain little without support from similar U.S. action.

Traders said the markets were nervous, hectic and volatile but they could give no other reason for the dollar's rise other than Mr. Reagan's comments and the lack of evident central-bank intervention.

High U.S. interest rates, which have often boosted the dollar as an attractive investment for foreigners, were not a factor in Monday's advance, traders said.

In Tokyo, the dollar began the world's trading day by finishing at 263.025 Japanese yen from 262.375 yen Friday.

In London, the British pound dropped to a new low \$1.0558 from \$1.0765 Friday.

Other late dollar rates in Europe, compared with late rates Friday, included: 3.4375 Swiss franc, up from 3.3800; 2.9115 Swiss franc, up from 2.8560; 10.5395 French franc, up from 10.3380; 3.908 Dutch guilder, up from 3.832; 2.1515 Italian lire, up from 2.10630.

Gold bullion plunged \$14.15 in London and \$14.20 in Zurich to a late Feb. 25 of \$284.25 a troy ounce in both cities.

Zurich dealers said the soaring dollar put steady pressure on the metals markets and Zurich experienced its busiest trading session in weeks with numerous orders from London to sell gold.

The drop was the first substantial retreat from the \$300-an-ounce level that had prevailed during most of the dollar's latest surge.

Young Scientist Guides Fermenta

El-Sayed Plans Expansion for Penicillin Maker

By Juris Kaza
International Herald Tribune

STOCKHOLM — Fermenta AB, the Swedish maker of bulk penicillin and other intermediate products for the antibiotics industry, has been rocketing on the Stockholm Stock Exchange during a period when most other Swedish shares have stood still or drifted lower.

Fermenta shares have risen from 85 kronor (\$8.95) in the summer of 1984, when Fermenta first went public in Sweden, to as high as 248 kronor in recent trading.

The rise has been propelled by investor euphoria about the quick turnaround and rapid growth of Fermenta under the leadership of Refaat El-Sayed, 39, an Egyptian-born scientist and entrepreneur.

Mr. El-Sayed points out that Fermenta's 1984 earnings have been forecast at 80 million kronor on sales of around 450 million kronor, up from a loss of 10 million kronor on sales of 70 million kronor in 1981, the year before he bought the company from Asta AB, Sweden's largest pharmaceutical group.

With Fermenta planning a share issue and listing on the London Stock Exchange later this spring, some analysts are urging caution. Sweden's latest "bourse comet," they say, must be viewed with an awareness that the company carries considerable risks as well as opportunities.

Moreover, the boom in Fermenta shares in Stockholm may make pricing the London issue a delicate matter for manager Svenska International, since



Refaat El-Sayed, the president of Fermenta AB, in his Stockholm office. He plays soccer in his spare time.

considerable short-term gains have accumulated that could be realized if investors feared a diluting effect from a large London placement.

Mr. El-Sayed, a microbiologist trained in the United States and Sweden and president of Fermenta since 1982, is already looking beyond Stockholm and London to Fermenta's possibilities on overseas stock exchanges.

"We are going to be listed in London in May and perhaps we will go public in New York," Mr. El-Sayed said. But the enterprise he will present to London investors won't be the same as the Fermenta of 1984. He said that

he expects international acquisitions in 1985 to boost Fermenta's sales to 1.6 billion kronor.

Mr. El-Sayed said that "acquisitions are the cheapest way to gain market shares."

In 1983, Fermenta bought plants in the United States and France and formed subsidiaries to operate them. Fermenta Holding Inc. in the United States and Fermenta SA in France.

The most recent acquisition was in January when it bought Pirella SpA, an Italian pharmaceutical company, which alone added around 760 million kronor in sales and 1,300 employees to (Continued on Page 19, Col. 1)

Baldrige Urges U.S. to Repeal Antitrust Section

United Press International

WASHINGTON — Commerce Secretary Malcolm Baldrige said Monday that he had proposed the repeal of a major section of U.S. antitrust law to make it easier for American companies to merge and become more competitive in world trade.

His written proposal was sent last Friday to the Office of Management and Budget, where it was expected to be passed to the Reagan administration's cabinet council on legal affairs for study.

The council, in turn, would formulate a recommendation for legislative action to be sent to President Ronald Reagan. Congress must approve changes in antitrust law.

Mr. Baldrige specifically proposed the repeal of Section 7 of the Clayton Act, which prohibits mergers where the effect "may be to substantially lessen competition or tend to create a monopoly."

Any repeal of Section 7 still would leave in effect the Sherman Antitrust Act of 1890, which prohibits restraint of trade, price-fixing, dividing up of markets or monopoly conditions. It also would leave standing Federal Trade Commission rules against unfair competition.

The big difference, Mr. Baldrige said, is that without Section 7 of the Clayton Act, a merger would have to be proved to be in restraint of trade. Business would not be held back from merging by language such as "may" and "tend to."

Businesses contemplating mergers, he added, would face much less uncertainty as to whether the government would approve.

The secretary said that this would enable firms in troubled industries such as steel to merge to phase out antiquated plants and consolidate production for greater efficiency.

Mr. Baldrige said that conditions have changed dramatically since the Clayton Act was passed in 1914, then updated in 1950. Then, he said, the United States was the world's strongest industrial power and considerations of the domestic market were paramount.

Mr. Baldrige said that now the United States is faced with intense world competition in its home markets and overseas.

"If we do not allow our own companies to merge to get these efficiencies, what you're going to see is an increase in protectionist sentiment," he said during a morning press briefing at his office.

(Paul McGrath, the chief antitrust attorney at the Justice Department, said that "the Commerce Department proposal isn't really practical and it isn't a solution" to U.S. trade problems. Reuters reported from Washington.)

"I certainly agree that we need to do everything we can to help our industries compete internationally," said Mr. McGrath, the assistant U.S. attorney general for antitrust. But he said that antitrust laws do not stand in the way of increasing competitiveness.

In August, Mr. Baldrige said that Congress should liberalize antitrust laws to make U.S. companies merge easier and that Section 7 should be reexamined. However, in those remarks for an American Bar Association meeting, he did not specifically propose repeal of the section.

U.S.-Japan Talks On Trade Start Off On an Angry Note

The Associated Press

TOKYO — The United States and Japan hit several snags Monday in their efforts to resolve major trade issues: American officials postponed telecommunications talks scheduled to begin this week and a "shouting match" was reported during the opening session of negotiations on wood products.

Daniel G. Amstutz, undersecretary of agriculture for international affairs and commodity programs, said the two sides could not agree on an agenda for discussing the wood-products issue.

Japan's Kyodo News Service quoted an unidentified Foreign Ministry source as saying "an extremely tough shouting match ensued" after the two sides stated their positions.

Meanwhile, U.S. Secretary of Commerce Malcolm Baldrige said in Washington that he had postponed, until such time as Japanese officials are ready to talk specifics, a deputy's trip to Japan to discuss Japanese regulations on telecommunications trade.

The United States is urging Japan to open its telecommunications markets to American imports.

Mr. Baldrige said Japanese communications companies have increased their business in the United States to \$2 billion from \$600 million since the breakup of the American Telephone & Telegraph Co.

trust attorney at the Justice Department, said that "the Commerce Department proposal isn't really practical and it isn't a solution" to U.S. trade problems. Reuters reported from Washington.)

"I certainly agree that we need to do everything we can to help our industries compete internationally," said Mr. McGrath, the assistant U.S. attorney general for antitrust. But he said that antitrust laws do not stand in the way of increasing competitiveness.

In August, Mr. Baldrige said that Congress should liberalize antitrust laws to make U.S. companies merge easier and that Section 7 should be reexamined. However, in those remarks for an American Bar Association meeting, he did not specifically propose repeal of the section.

Recession in U.S. Is Predicted for '86

The Associated Press

WASHINGTON — The nation's economy is likely to suffer a recession beginning sometime next year, brought on by soaring federal budget deficits, high interest rates and further deterioration in foreign trade, an association comprising economists for leading U.S. corporations predicted Monday.

The National Association of Business Economists said a survey of its members found basic agreement that the economy will move ahead at a moderately good clip this year with inflation remaining under control.

But the economists predicted that the economy would turn sour next year. A majority, 52 percent, expect the next recession will begin in 1986, with only 17 percent of those surveyed predicting that the current growth will last into 1987 or beyond.

These expectations were a good deal more pessimistic than Reagan administration estimates, which foresee steady growth through 1990.

Huge federal budget deficits are cited most often by the economists as the main reason they believe the current recovery will be shorter than the average of 46 months.

Other problems the economists believed would short-circuit the recovery were high interest rates and the country's record trade deficits.

"It is clear that the basic problem is the budget deficit," said Ben Liden, president of the association and chief economist at T. Rowe Price Associates. "That is the thing we have to change in order to improve the outlook for interest rates and the trade deficit."

The economists predicted that the budget deficit this year will hit a record \$210 billion, declining only slightly to \$200 billion in the 1986 fiscal year, which begins Oct. 1.

"To fight the deficit, 63 percent of those polled support the concept of a freeze on government expenditures, but more than half doubt that it will be enacted," Mr. Liden said.

A smaller majority, 54 percent, voiced support for a tax increase to help trim the deficit, something President Ronald Reagan has vowed to oppose.

The business economists expressed support for the Reagan administration's proposal to simplify the tax code by eliminating various deductions while lowering tax rates.

A majority, 57 percent, said they favored the concept, but support dwindled when the economists were asked to endorse separately the various business and individual tax deductions that would be affected by the plan.

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Currency Rates

Late interbank rates on Feb. 25, excluding fees.

Official findings for Amsterdam, Brussels, Frankfurt, Milan, Paris, New York rates at 3 P.M.

	U.S.	Swiss	French	Italian	German	Japanese	British	Spanish	Portuguese	Belgian	Dutch	Austrian	Scandinavian	Other
100 U.S. dollars	1.0000	2.0048	6.5596	1.3663	1.9364	163.33	166.37	200.48	200.48	36.36	36.36	13.76	13.76	13.76
100 Swiss francs	0.4966	1.0000	2.0048	0.6559	0.9364	8.0000	8.0000	10.0000	10.0000	1.8182	1.8182	0.7037	0.7037	0.7037
100 French francs	0.1523	0.0497	1.0000	0.2163	0.3091	6.5596	6.5596	8.0000	8.0000	0.2709	0.2709	0.1033	0.1033	0.1033
100 Italian lire	0.0007	0.0002	0.0005	1.0000	0.0014	1.9364	1.9364	2.0048	2.0048	0.0003	0.0003	0.0001	0.0001	0.0001
100 German marks	0.0050	0.0015	0.0048	0.0007	1.0000	163.33	166.37	200.48	200.48	0.0001	0.0001	0.0000	0.0000	0.0000
100 Japanese yen	0.0061	0.0018	0.0056	0.0009	0.0061	1.0000	1.0000	1.0000	1.0000	0.0000	0.0000	0.0000	0.0000	0.0000
100 British pounds	0.6250	0.1966	0.6250	0.1562	0.1966	6.5596	6.5596	8.0000	8.0000	0.0271	0.0271	0.0103	0.0103	0.0103
100 Spanish pesetas	0.0002	0.0001	0.0002	0.0000	0.0002	1.9364	1.9364	2.0048	2.0048	0.0000	0.0000	0.0000	0.0000	0.0000
100 Portuguese escudos	0.0000	0.0000	0.0000	0.0000	0.0000	1.9364	1.9364	2.0048	2.0048	0.0000	0.0000	0.0000	0.0000	0.0000
100 Belgian francs	0.0000	0.0000	0.0000	0.0000	0.0000	1.9364	1.9364	2.0048	2.0048	0.0000	0.0000	0.0000	0.0000	0.0000
100 Dutch guilders	0.0000	0.0000	0.0000	0.0000	0.0000	1.9364	1.9364	2.0048	2.0048	0.0000	0.0000	0.0000	0.0000	0.0000
100 Austrian schillings	0.0000	0.0000	0.0000	0.0000	0.0000	1.9364	1.9364	2.0048	2.0048	0.0000	0.0000	0.0000	0.0000	0.0000
100 Scandinavian kroner	0.0000	0.0000	0.0000	0.0000	0.0000	1.9364	1.9364	2.0048	2.0048	0.0000	0.0000	0.0000	0.0000	0.0000
Other	0.0000	0.0000	0.0000	0.0000	0.0000	1.9364	1.9364	2.0048	2.0048	0.0000	0.0000	0.0000	0.0000	0.0000

Dollar Values

	U.S.	Swiss	French	Italian	German	Japanese	British	Spanish	Portuguese	Belgian	Dutch	Austrian	Scandinavian	Other
100 U.S. dollars	1.0000	2.0048	6.5596	1.3663	1.9364	163.33	166.37	200.48	200.48	36.36	36.36	13.76	13.76	13.76
100 Swiss francs	0.4966	1.0000	2.0048	0.6559	0.9364	8.0000	8.0000	10.0000	10.0000	1.8182	1.8182	0.7037	0.7037	0.7037
100 French francs	0.1523	0.0497	1.0000	0.2163	0.3091	6.5596	6.5596	8.0000	8.0000	0.2709	0.2709	0.1033	0.1033	0.1033
100 Italian lire	0.0007	0.0002	0.0005	1.0000	0.0014	1.9364	1.9364	2.0048	2.0048	0.0003	0.0003	0.0001	0.0001	0.0001
100 German marks	0.0050	0.0015	0.0048	0.0007	1.0000	163.33	166.37	200.48	200.48	0.0001	0.0001	0.0000	0.0000	0.0000
100 Japanese yen	0.0061	0.0018	0.0056	0.0009	0.0061	1.0000	1.0000	1.0000	1.0000	0.0000	0.0000	0.0000	0.0000	0.0000
100 British pounds	0.6250	0.1966	0.6250	0.1562	0.1966	6.5596	6.5596	8.0000	8.0000	0.0271	0.0271	0.0103	0.0103	0.0103
100 Spanish pesetas	0.0002	0.0001	0.0002	0.0000	0.0002	1.9364	1.9364	2.0048	2.0048	0.0000	0.0000	0.0000	0.0000	0.0000
100 Portuguese escudos	0.0000	0.0000	0.0000	0.0000	0.0000	1.9364	1.9364	2.0048	2.0048	0.0000	0.0000	0.0000	0.0000	0.0000
100 Belgian francs	0.0000	0.0000	0.0000	0.0000	0.0000	1.9364	1.9364	2.0048	2.0048	0.0000	0.0000	0.0000	0.0000	0.0000
100 Dutch guilders	0.0000	0.0000	0.0000	0.0000	0.0000	1.9364	1.9364	2.0048	2.0048	0.0000	0.0000	0.0000	0.0000	0.0000
100 Austrian schillings	0.0000	0.0000	0.0000	0.0000	0.0000	1.9364	1.9364	2.0048	2.0048	0.0000	0.0000	0.0000	0.0000	0.0000
100 Norwegian kroner	0.0000	0.0000	0.0000	0.0000	0.0000	1.9364	1.9364	2.0048	2.0048	0.0000	0.0000	0.0000	0.0000	0.0000
100 Swedish kronor	0.0000	0.0000	0.0000	0.0000	0.0000	1.9364	1.9364	2.0048	2.0048	0.0000	0.0000	0.0000	0.0000	0.0000
100 Danish kroner	0.0000	0.0000	0.0000	0.0000	0.0000	1.9364	1.9364	2.0048	2.0048	0.0000	0.0000	0.0000	0.0000	0.0000
100 Icelandic kronur	0.0000	0.0000	0.0000	0.0000	0.0000	1.9364	1.9364	2.0048	2.0048	0.0000	0.0000	0.0000	0.0000	0.0000
100 Finnish markkaa	0.0000	0.0000	0.0000	0.0000	0.0000	1.9364	1.9364	2.0048	2.0048	0.0000	0.0000	0.0000	0.0000	0.0000
100 Greek drachmas	0.0000	0.0000	0.0000	0.0000	0.0000	1.9364	1.9364	2.0048	2.0048	0.0000	0.0000	0.0000	0.0000	0.0000
100 Hungarian forint	0.0000	0.0000	0.0000	0.0000	0.0000	1.9364	1.9364	2.0048	2.0048	0.0000	0.0000	0.0000	0.0000	0.0000
100 Czech koruna	0.0000	0.0000	0.0000	0.0000	0.0000	1.9364	1.9364	2.0048	2.0048	0.0000	0.0000	0.0000	0.0000	0.0000
100 Polish zloty	0.0000	0.0000	0.0000	0.0000	0.0000	1.9364	1.9364	2.0048	2.0048	0.0000	0.0000	0.0000	0.0000	0.0000
100 Czechoslovak koruna	0.0000	0.0000	0.0000	0.0000	0.0000	1.9364	1.9364	2.0048	2.0048	0.0000	0.0000	0.0000	0.0000	0.0000
100 Yugoslav dinar	0.0000	0.0000	0.0000	0.0000	0.0000	1.9364	1.9364	2.0048	2.0048	0.0000	0.0000	0.0000	0.0000	0.0000
100 Romanian leu	0.0000	0.0000	0.0000	0.0000	0.0000	1.9364	1.9364	2.0048	2.0048	0.0000	0.0000	0.0000	0.0000	0.0000
100 Bulgarian lev	0.0000	0.0000	0.0000	0.0000	0.0000	1.9364	1.9364	2.0048	2.0048	0.0000	0.0000	0.0000	0.0000	0.0000
100 Turkish lira	0.0000	0.0000	0.0000	0.0000	0.0000	1.9364	1.9364	2.0048	2.0048	0.0000	0.0000	0.0000	0.0000	0.0000
100 Egyptian pound	0.0000	0.0000	0.0000	0.0000	0.0000	1.9364	1.9364	2.0048	2.0048	0.0000	0.0000	0.0000	0.0000	0.0000
100 Indian rupee	0.0000	0.0000	0.0000	0.0000	0.0000	1.9364	1.9364	2.0048	2.0048	0.0000	0.0000	0.0000	0.0000	0.0000
100 Pakistani rupee	0.0000	0.0000	0.0000	0.0000	0.0000	1.9364	1.9364	2.0048	2.0048	0.0000	0.0000	0.0000	0.0000	0.0000
100 Bangladeshi taka	0.0000	0.0000	0.0000	0.0000	0.0000	1.9364	1.9364	2.0048	2.0048	0.0000	0.0000	0.0000	0.0000	0.0000
100 Sri Lankan rupee	0.0000	0.0000	0.0000	0.0000	0.0000	1.9364	1.9364	2.0048	2.0048	0.0000	0.0000	0.0000	0.0000	0.0000
100 Nepalese rupee	0.0000	0.0000	0.0000	0.0000	0.0000	1.9364	1.9364	2.0048	2.0048	0.0000	0.0000	0.0000	0.0000	0.0000
100 Maldivian rufiyaa	0.0000	0.0000	0.0000	0.0000	0.0000	1.9364	1.9364	2.0048	2.0048	0.0000	0.0000	0.0000	0.0000	0.0000
100 Mauritian rupee	0.0000	0.0000	0.0000	0.0000	0.0000	1.9364	1.9364	2.0048	2.0048	0.0000	0.0000	0.0000	0.0000	0.0000
100 Seychellois rupee	0.0000	0.0000	0.0000	0.0000	0.0000	1.9364	1.9364	2.0048	2.0048	0.0000	0.0000	0.0000	0.0000	0.0000
100 Zambian kwacha	0.0000	0.0000	0.0000	0.0000	0.0000	1.9364	1.9364	2.0048	2.0048	0.0000	0.0000	0.0000	0.0000	0.0000
100 Malawian kwacha	0.0000	0.0000	0.0000	0.0000	0.0000	1.9364	1.9364	2.0048	2.0048	0.0000	0.0000	0.0000	0.0000	0.0000
100 Tanzanian shilling	0.0000	0.0000	0.0000	0.0000	0.0000	1.9364	1.9364	2.0048	2.0048	0.0000	0.0000	0.0000	0.0000	0.0000
100 Kenyan shilling	0.0000	0.0000	0.0000	0.0000	0.0000	1.9364	1.9364	2.0048	2.0048	0.0000	0.0000	0.0000	0.0000	0.0000
100 Ugandan shilling	0.0000	0.0000	0.0000	0.0000	0.0000	1.9364	1.9364	2.0048	2.0048	0.0000	0.0000	0.0000	0.0000	0.0000
100 Rwandan franc	0.0000	0.0000	0.0000	0.0000	0.0000	1.9364	1.9364	2.0048	2.0048	0.0000	0.0000	0.0000	0.0000	0.0000
100 Burundian franc	0.0000	0.0000	0.0000	0.0000	0.0000	1.9364	1.9364	2.0048	2.0048	0.0000	0.0000	0.0000	0.0000	0.0000
100 Congolese franc	0.0000	0.0000	0.0000	0.0000	0.0000	1.9364	1.9364	2.0048	2.0048	0.0000	0.0000	0.0000	0.0000	0.0000
100 Gabonese franc	0.0000	0.0000	0.0000	0.0000	0.0000	1.9364	1.9364	2.0048	2.0048	0.0000	0.0000	0.0000	0.0000	0.0000
100 Senegalese franc	0.0000	0.0000	0.0000	0.0000	0.0000	1.9364	1.9364	2.0048	2.0048	0.0000	0.0000	0.0000	0.0000	0.0000
100 Gambia dalasi	0.0000	0.0000	0.0000	0.0000	0.0000	1.9364	1.9364	2.0048	2.0048	0.0000	0.0000	0.0000	0.0000	0.0000
100 Sierra Leone leone	0.0000	0.0000	0.0000	0.0000	0.0000	1.9364	1.9364	2.0048	2.0048	0.0000	0.0000	0.0000	0.0000	0.0000
100 Liberian dollar	0.0000	0.0000	0.0000	0.0000	0.0000	1.9364	1.9364	2.0048	2.0048	0.0000	0.0000	0.0000	0.0000	0.0000
100 Ivory Coast franc	0.0000	0.0000	0.0000	0.0000	0.0000	1.9364	1.9364	2.0048	2.0048	0.0000	0.0000	0.0000	0.0000	0.0000
100 Upper Volta franc	0.0000	0.0000	0.0000	0.0000	0.0000	1.9364	1.9364	2.0048	2.0048	0.0000	0.0000	0.0000	0.0000	0.0000
100 Mali franc	0.0000	0.0000	0.0000	0.0000	0.0000	1.9364	1.9364	2.0048	2.0048	0.0000	0.0000	0.0000	0.0000	0.0000
100 Niger franc	0.0000	0.0000	0.0000	0.0000	0.0000	1.9364	1.9364	2.0048	2.0048	0.0000	0.0000	0.0000	0.0000	0.0000
100 Chad franc	0.0000	0.0000	0.0000	0.0000	0.0000	1.9364	1.9364	2.0048	2.0048	0.0000	0.0000	0.0000	0.0000	0.0000
100 Cameroon franc	0.0000	0.0000	0.0000	0.0000	0.0000	1.9364	1.9364	2.0048	2.0048	0.0000	0.0000	0.0000	0.0000	0.0000
100 Equatorial Guinea franc	0.0000	0.0000	0.0000	0.0000	0.0000	1.9364	1.9364	2.0048	2.0048	0.0000	0.0000	0.0000	0.0000	0.0000
100 Gabon franc	0.0000	0.0000	0.0000	0.0000	0.0000	1.9364	1.9364	2.0048	2.0048	0.0000	0.0000	0.0000	0.0000	0.0000
100 Congo franc	0.0000	0.0000	0.0000	0.0000	0.0000	1.9364	1.9364	2.0048	2.0048	0.0000	0.0000	0.0000	0.0000	0.0000
100 Angola franc	0.0000	0.0000	0.0000	0.0000	0.0000	1.9364	1.9364	2.0048	2.0048	0.0000	0.0000	0.0000	0.0000	0.0000
100 Namibia dollar	0.0000	0.0000	0.0000	0.0000	0.0000	1.9364	1.9364	2.0048	2.0048	0.0000	0.0000	0.0000	0.0000	0.0000
100 Botswana pula	0.0000	0.0000	0.0000	0.0000	0.0000	1.9364	1.9364	2.0048	2.0048	0.0000	0.0000	0.0000	0.0000	0.0000
100 Lesotho loti	0.0000	0.0000	0.0000	0.0000	0.0000	1.9364	1.9364	2.0048	2.0048	0.0000	0.0000	0.0000	0.0000	0.0000
100 Swaziland lilangeni	0.0000	0.0000	0.0000	0.0000	0.0000	1.9364	1.9364	2.0048	2.0048	0.0000	0.0000	0.0000	0.0000	0.0000
100 Zimbabwe dollar	0.0000	0.0000	0.0000	0.0000	0.0000	1.9364	1.9364	2.0048	2.0048	0.0000	0.0000	0.0000	0.0000	0.0000
100 South African rand	0.0000	0.0000	0.0000	0.0000	0.0000	1.9364	1.9364	2.0048	2.0048	0.0000	0.0000	0.0000	0.0000	0.0000
100 New Zealand dollar	0.0000	0.0000	0.0000	0.0000	0.0000	1.9364	1.9364	2.0048	2.0048	0.0000	0.0000	0.0000	0.0000	0.0000
100 Australian dollar	0.0000	0.0000	0.0000	0.0000	0.0000	1.9364	1.9364	2.0048	2.0048	0.0000	0.0000	0.0000	0.0000	0.0000
100 New Guinea kina	0.0000	0.0000	0.0000	0.0000	0.0000	1.9364	1.9364	2.0048	2.0048	0.0000	0.0000	0.0000	0.0000	0.0000
100 Papua New Guinea kina	0.0000	0.0000	0.0000	0.0000	0.0000	1.9364	1.9364	2.0048	2.0048	0.0000	0.0000	0.0000	0.0000	0.0000
100 Solomon Islands dollar	0.0000	0.0000	0.0000	0.0000	0.0000	1.9364	1.9364	2.0048	2.0048	0.0000	0.0000	0.0000	0.0000	0.0000
100 Vanuatu vatu	0.0000	0.0000	0.0000	0.0000	0.0000	1.9364	1.9364	2.0048	2.0048	0.0000	0.0000	0.0000	0.0000	0.0000
100 Fiji dollar	0.0000	0.0000	0.0000	0.0000	0.0000	1.9364	1.9364	2.0048	2.0048	0.0000	0.0000	0.0000	0.0000	0.0000
100 Tonga pa'anga	0.0000	0.0000	0.0000	0.0000	0.0000	1.9364	1.9364	2.0048	2.0048	0.0000	0.0000	0.0000	0.0000	0.0000
100 Samoa tala	0.0000	0.0000	0.0000	0.0000	0.0000	1.9364	1.9364							

BUSINESS ROUNDUP

Royal Dutch/Shell Lifts Bid for Shell Co. by \$2

NEW YORK — Royal Dutch/Shell Group will raise by \$2 a share its offer for the stock of Shell Oil Co. it does not yet own in a proposed settlement of a legal battle that has delayed its acquisition of the seventh-largest U.S. oil company.

Under the improved terms, Royal Dutch/Shell would pay \$60 a share in cash for Shell's remaining shares outstanding, increasing the cost of its takeover by \$189 million, to \$5.67 billion.

Royal Dutch/Shell, with headquarters in Britain and the Netherlands, is the world's second-largest oil company after Exxon Corp.

In a statement Sunday, Royal Dutch said the settlement was reached after the company was approached by lawyers for dissenting shareholders, who had challenged

the earlier \$58-a-share offer as inadequate.

John F. Bookout, Shell's president and chief executive, said Monday that the management of the Houston-based company had not been a party to the negotiations. But, he said, he was pleased with the prospect of an early settlement to the lawsuits "and that all our attention can again be fully devoted to our business."

Before it began its bid for all of Shell's stock in January 1984, Royal Dutch/Shell already owned 69.4 percent of the shares. It first offered \$55 a share for the remaining 94.5 million shares, but later increased the bid to \$58.

Shell stock closed Friday at \$55.625 a share on the New York Stock Exchange, unchanged.

Royal Dutch/Shell had acquired enough stock in its offer last year to raise its stake in Shell to 94.6 percent, but had delayed completing the takeover pending the resolution of a shareholder lawsuit.

Shell's board of directors said last year that the \$58-a-share offer was inadequate and not in the best interests of shareholders.

A Delaware Chancery Court was scheduled to begin a trial next month on the shareholders' lawsuit. Royal Dutch/Shell said it would submit the proposed settlement soon to the Delaware court and that it hopes a hearing would be scheduled at the end of March.

Under Delaware law, a shareholder dissatisfied with the terms of a merger can ask a court to determine the value of his shares. There is a risk, however, that the court will rule the shares are worth less than what the company has offered.

Under the proposed settlement, Shell shareholders who had already sold their stock to Royal Dutch would also receive the additional \$2 a share. Other shareholders would receive \$60 a share for their stock if they agreed not to exercise their right to have a court determine the value of their stock.

Those shareholders who decided not to waive appraisal rights would not get the additional \$2 a share and could, in lieu of the \$58-a-share offer, still demand a court to determine the value of his or her shares at the date of the merger, Royal Dutch/Shell said.

Taiwan Group, Cathay, Seeks to Reschedule Debt

TAIPEI — Cathay Group, one of Taiwan's largest conglomerates, is seeking to reschedule its debts, a group spokesman said Monday.

He declined to identify the creditors, most of whom are in Taiwan, or say how much was involved. He said some of the group's more than 80 affiliate companies are facing cash-flow problems, but declined to say which ones were involved.

Cathay runs businesses that include banks, shipping, insurance and plastics factories.

The group's banking branch, the Tenth Credit Cooperative, faced a run on deposits this month and \$425 million was withdrawn in four days. Court officials said 10 senior executives of the bank were arrested on suspicion of financial irregularities but no charges had been brought.

The run started after the Finance Ministry suspended Feb. 11 the lending business of the bank. The run later spread to a sister company, Cathay Investment & Trust Co.

VW Made Profit in 1984 After 2 Years of Losses

HAMBURG — Volkswagenwerk AG returned to profitability in 1984 after two years of devastating losses, the automobile manufacturing company's management said Monday in an interim report to stockholders.

Although the preliminary report indicated that the company made a profit last year, it did not say how much that profit was. But losses already posted for the early part of 1984 suggest that a year-end profit would be modest.

The preliminary year-end report to stockholders said that improving performances in the domestic Volkswagen operation, in Volkswagen of America, its U.S. subsidiary, and in its domestic Audi AG unit were responsible for the turnaround.

Volkswagen posted worldwide losses of 215 million Deutsche marks (\$63.6 million) in 1983 and 200 million DM in 1982, the year the automaking giant first plunged into the red.

The Volkswagen report said that worldwide revenue was boosted 14 percent last year to a new record high of 45.7 billion DM. Much of the increase was due to the U.S. dollar's high exchange rate against

the mark, which has made West German exports attractive in the United States, a major Volkswagen market.

Pennzoil Denies Interest in Phillips

NEW YORK — Pennzoil Co. denied Monday reports that it is considering making a tender offer for Phillips Petroleum Co.

Pennzoil, which has long been rumored to be interested in Phillips, said neither its chairman, Hugh Liedtke, nor any of its representatives have had any discussions with Phillips or its subsidiaries.

Phillips, a New York City financier who has offered to acquire Phillips if that company's recapitalization plan is turned down by shareholders.

The New York Times, in an article carried by The International Herald Tribune, reported Monday that Pennzoil officials were considering joining Mr. Liedtke in his bid for the company. A company spokesman would not say whether Pennzoil was interested in a friendly acquisition of Phillips.

By Dinah Lee

International Herald Tribune

HONG KONG — In an unexpected development in the 11-day battle for control of one of Hong Kong's oldest trading-and-shipping companies, Wheelock Marden & Co., Sir Y.K. Pao bid Monday for control of Allied Investors Corp., an associated investment company of the Wheelock group.

Sir Y.K. Pao's unconditional bid through his Hong Kong-based company, Hongkong & Kowloon Wharf & Godown Co., amounted to an offer of 322 million Hong Kong dollars (\$41.28 million), or 11 dollars a share, 26.5 percent above the last traded price of Allied on Feb. 19.

Merchant bankers involved in the Wheelock battle said it was unlikely that Sir Y.K. Pao, a shipping magnate, would ever have to pay this amount to Allied shareholders.

Instead, they called the Pao move a tactical maneuver under Hong Kong's Takeover Code to "lock up" Allied's 11-percent equity holding and 6.5-percent voting rights in the Wheelock group before the rival bidder for Wheelock can add Allied to his accumulated holding by means other than a takeover bid. The rival is Khoo Teck Puan, a Singapore hotel-and-property entrepreneur.

Under the code on takeovers, a company that is subject to a takeover bid cannot sell any assets until the bidding is resolved. Therefore, Wheelock cannot now actually dispose of Allied, and Allied cannot dispose of its shares to anyone.

Control of Allied will pass to the bidder who first successfully gains 51 percent or more of Wheelock's voting rights and control of the group.

The Wheelock battle began Feb. 14 when Mr. Khoo offered 1.9 billion dollars for the ailing Hong Kong local term for the four or five big colonial trading companies with roots in 19th-century trading and shipping companies of Shanghai and Hong Kong.

Mr. Khoo's financial advisers, N.M. Rothschild, said in the Feb. 14 announcement that Wheelock's chairman, John L. Marden, had sold 13.5 percent of Wheelock's voting rights to Mr. Khoo.

Sir Y.K. Pao entered the fray the following Saturday with a counterbid valuing the group at 2.23 billion dollars, or 10 percent more per share than Mr. Khoo's original offer of 6 dollars for the ordinary A shares and 60 cents for the ordinary B shares.

Wardley Ltd., merchant bankers for Hongkong & Kowloon Wharf & Godown, said that Sir Y.K. Pao had already acquired 34 percent of Wheelock's voting rights. Bankers involved in the bidding deduced that a director of two Wheelock subsidiaries, John Cheung, might have sold a large chunk of that acquisition.

Mr. Khoo responded Feb. 19 to the Pao challenge with his second bid, raising the ante to 2.4 billion

dollars, and asserting that he now controlled 24 percent of Wheelock's voting rights.

Trading in Wheelock was suspended for the third time in a week as the two rivals then faced a five-day break in trading for the Lunar New Year holiday which allowed them time to woo more outside shareholders in Hong Kong and London. Trading in Wheelock closed Monday at 7.40 dollars a share, while trading in Allied was suspended.

"This is going very much as we anticipated," said a source in Wheelock's merchant bank, East Asia Warburg.

Bechtel to Build Hotel in Beijing

United Press International

BEIJING — Bechtel Corp., the American construction giant, has signed an agreement with a Chinese company to build a luxury hotel and office complex valued at \$200 million in Beijing, company representatives said Monday.

China-America International Engineering, a China-based contracting company set up by Bechtel and China National Coal Development Corp., signed the joint-venture agreement with China's Capital Overseas Chinese Services Co. The project, in central Beijing, is to include an 800-room hotel, 400 luxury apartments, office space and a supermarket.

Vickers Reports 1984 Pretax Profit Of £30.8 Million

Reuters

LONDON — Vickers PLC reported Monday that it made a pretax profit of £30.8 million (about \$32.64 million at current exchange rates) in 1984, a 57.9-percent increase from £19.5 million the previous year. Sales, however, declined 19.3 percent, to £528.8 million from £655.2 million in 1983.

Rolls-Royce cars showed the largest profit increase in 1984, Vickers said. The 1983 result had been depressed by a prolonged strike.

The defense and aerospace, marine engineering, health-care and instruments businesses all showed substantial profit increases, while the printing and packaging machinery sector returned to profitability.

Vickers said lithographic printing plates and supplies and business equipment showed slightly reduced profit last year, as a result of rising costs and severe competition.

The Vickers claim for fair compensation for its former shipbuilding and aircraft interests, nationalized by the British government in 1977, is to be heard by the European Court of Human Rights in Strasbourg, France, in June.

COMPANY NOTES

Atari Corp. of Sunnyvale, California, has told software companies that it is ready to supply its new ST computer to those interested in writing programs for it, an indication that the machine may be on the market by late April as scheduled. But Atari said it will charge software companies \$4,500 for each machine, which will sell for less than \$1,000 retail.

Black & Decker Manufacturing Co. of Towson, Maryland, said that per-share earnings in the quarter ending March 31 could drop as much as 40 percent to 35 cents from 49 cents earned in the like period last year. The electric-power-tool company blamed the strong U.S. dollar and abnormally slow resupplying in the United States following an uneven Christmas selling season.

Castle & Cook Inc. of San Francisco said that it has not paid principal or interest due on loans to certain private unsecured lenders

and expects it will be unable to make interest payments due March 1 on two public issues. The processed-food company said that it is seeking to restructure the \$250 million owed to private lenders and is requesting waivers to allow the payment of interest on the public debt.

Dow Chemical Co. of Midland, Michigan, said that it has developed a new modular air-separation system that produces 95 percent to 99 percent pure nitrogen for a variety of industrial and commercial uses. Dow said that the system, called generon, also produces an oxygen-enriched stream.

Eastman Technology Inc. of Rochester, New York, a unit of Eastman Kodak Co., said that it has formed a new division, Beta Physics, which will manufacture and market electronic components.

MIM Holdings Ltd., a unit of Mount Isa Mines Ltd. of Sydney, said that it is negotiating with 1,500

tradesmen who went on strike last week in support of power workers in Queensland. A Mount Isa spokesman said that the strike has halted operations at a zinc-lead-copper mine.

Mobil Oil AG of Hamburg, a subsidiary of Mobil Corp., said that it plans to close its Wilhelmshaven refinery at the end of March. A company spokesman said that the plant has not operated profitably and output has been less than annual capacity of eight million tons (8.8 metric tons).

Oni Corp. of East Alton, Illinois, said that it has reached an agreement with Nippon Gakki Co. of Japan for the joint marketing of high-performance alloys in Japan and Southeast Asia.

R.P. Scherer Corp. of Troy, Michigan, said that it plans a \$13-million expansion of its main manufacturing complex at Eberbach-Baden, West Germany, for the production of gelatin capsules for the pharmaceutical industry.

Signal Cos. of San Diego, said its Norplex division plans a \$40-million expansion that will include construction of a highly automated plant in Sumter, South Carolina, tripling production capacity at the plant in Wipperfurth, West Germany, and a 30-percent increase in production capacity at its plant in Chandler, Arizona. Signal also said its Houston-based Kellogg Rust Contractors unit has signed construction agreements with China National Chemical Construction Corp.

Tri-Chem Inc. of Harrison, New Jersey, said that it has agreed to sell substantially all of its assets to a corporation newly organized by its officers. The arts-and-crafts company will continue to operate under the name Tri-Chem.

Abel-Price Inc., a Toronto-based forest-products company, said that it plans a takeover bid for Barbecon Inc., a paper-distribution and envelope manufacturer.

Scientist Guides Sweden's Fermenta, Maker of Penicillin, Through Expansion

(Continued from Page 17)

the Fermenta group, according to one London-based analyst.

Tina Engjimi, an analyst specializing in Scandinavian medical companies at London's E.B. Savory Milin, calls Fermenta "difficult to analyze."

"This company really doesn't have any record," she said, explaining that the rapid rate of acquisitions made year-to-year comparisons difficult. But Ms. Engjimi said that international investors would, like Swedish investors, be attracted by Mr. El-Sayed's managerial and entrepreneurial skills.

Mr. El-Sayed "is a genius," one analyst at a major Stockholm brokerage said. But he added that Fermenta "is too much of a one-man show." While giving excellent marks to Mr. El-Sayed's performance in personally running Fermenta, the analyst was skeptical that the young scientist could oversee alone all the operations of a 1.6-billion kronor multinational group.

"The question is — and that ability hasn't been tested — is will he have the capacity to delegate and select competent managers," said the analyst, who asked that his name and the name of his brokerage not be used.

Mr. El-Sayed, who calls himself a "scientific entrepreneur," says he prefers "to be involved in the long-term, in what Fermenta will be like in 1990."

Mr. El-Sayed owns 52 percent of stock and 86 percent of the votes in Fermenta, and, on paper, has become a multimillionaire since last summer. Yet, he reportedly is one of the lowest-paid corporate executives in Sweden, drawing a yearly salary of around 120,000 kronor, or what a Stockholm bus driver can earn with a little night work and overtime.

"I am not driven by materialistic thinking," Mr. El-Sayed said. He lives with his wife and two children in a modest Stockholm suburb and plays soccer as a hobby. Another possible hurdle in attracting international investors to Fermenta is that it is hard to explain to laymen exactly what the company produces.

Fermenta's products are exotic-sounding biochemical substances that reach the consumer market af-

ter further processing and packaging by the world's major pharmaceutical companies.

Many commonly-used antibiotics, such as ampicillin, are made from such intermediate products as 6-APA, one of Fermenta's main

products and a major ingredient in so-called semi-synthetic penicillins.

Still, analysts say that the market for such substances is well-defined and Mr. El-Sayed has not given any indication that he wants to diversify outside Fermenta's specialty,

Isuzu Reports Loss of \$64.83 Million

Reuters

TOKYO — Isuzu Motors Ltd. posted a group loss of 17.01 billion yen (\$64.83 million) in the year ended Oct. 31, 1984, more than triple the loss of 5.13 billion yen the year before, it reported Monday.

Sales grew to 871.66 billion yen, up 15.6 percent from 754.18 billion yen a year earlier.

An Isuzu spokesman said nearly all of the group loss was incurred by the parent company, which last December reported a loss of 17.73 billion yen due mainly to a 4.9-billion-yen year-on-year fall in se-

curities sales, disposal of surplus inventories and financial injections into its retail networks.

The parent company has now raised its vehicle output projection to around 570,000 in the year to Oct. 31 from an earlier 520,000 estimate chiefly because of increased exports to China, he said.

Isuzu, which is 34.2 percent owned by General Motors Corp., now estimates parent sales at around 950 billion yen in the current year, compared with last December's estimate of 910 billion, and 769.07 billion in the year to last Oct. 31.

even if he has spread the group geographically.

"The analysts point out that by improving the efficiency of its production processes, Fermenta is able to produce higher yields and remain competitive with other European producers, such as Gist Brocades in the Netherlands and Antibiotics in Spain.

Mr. El-Sayed said Fermenta's goal is to employ the latest biotechnology techniques, such as recombinant DNA, or splicing the genes of micro-organisms, to improve the production of Fermenta's traditional products.

Oversimplified publicity about recombinant-DNA techniques in the 1970s, he said, led investors to expect miracles and dramatic medical breakthroughs. As a result, there were some investment disap-

pointments with what is popularly called biotechnology.

"Investors didn't understand it was a long-term matter," he said. "The oil crisis came along and dried up some sources of money, and the product profitability was never realized."

"We are investing in recombinant DNA, a field related to our production," Mr. El-Sayed said, adding that the company's 6-APA has been produced for several years using micro-organisms that have been improved by gene-splicing techniques.

"I believe in recombinant DNA, if you can apply it to the production process," Mr. El-Sayed said. In five years, he predicted, "Fermenta will be using recombinant DNA methods to make, more or less, all of its traditional products."

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Swiss Group BBC Reports Improved Earnings in '84

Reuters

BADEN, Switzerland — BBC Brown Boveri & Co. reported Monday improved 1984 group earnings but said the parent company's net fell to 28.4 million Swiss francs (\$9.94 million) from 29.5 million in 1983, a drop of 3.7 percent.

A company statement said that, according to provisional data, a 35-percent rise in consolidated cash flow can be expected in 1984 after it totaled 464 million francs in 1983. BBC does not publish full group results.

Parent-company sales fell 18 percent in 1984, but BBC said parent-company net was in line with 1983's level because of higher revenues and lower depreciation requirements. The dividend was unchanged at 30 francs per bearer share.

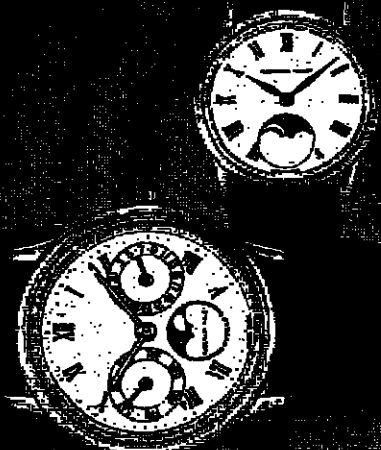
BBC said the 18-percent decline in parent-company sales to 2.78 billion francs was anticipated after 1983 orders fell to 2.31 billion francs from 2.98 billion. The sales decline had led to an unspecified all in operating profit, it said.

Australia Sets Bank Rule

Reuters

MELBOURNE — New banks in Australia will gain direct access to the domestic check-clearing system in payment of a fee of 800,000 Australian dollars (\$566,520), the government clearinghouse committee said. They will have the option of participating indirectly through presentation by another bank.

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SPORTS

The Persistent Marcel Dionne: Even Now 'You Still Have to Score'

By Gerald Eskenazi
New York Times Service

TOTOWA, New Jersey — Marcel Dionne was at work. He skittered over the ice like a water bug while bigger men, looking like lumbering, first-time skaters, made unsuccessful dives and swipes at the puck that he played tricks with. A flick of the wrist, and the puck was home.

It was only a practice at the Ice World rink here. But for the 33-year-old Dionne, this is what he is proud of. He works on off days.

In the age of Wayne Gretzky, whose scoring exploits have overshadowed all other players in recent years, there is a growing appreciation of the 5-foot-8 (1.72-meter) Dionne of the Los Angeles Kings, a player who perhaps was years ahead of his time.

It is Dionne who is the active career leader in the most significant offensive categories in the National Hockey League—goals (619), assists (857) and total points (1,476). He is on his way to his eighth 100-point season, having amassed 36 goals, 61 assists and 97 points. In NHL history, only Gordie Howe and Phil Esposito have scored more goals, and Dionne is the only player in the NHL who ever beat out Gretzky for a scoring title, in 1979-80, Gretzky's first NHL season.

And yet, the quick-talking, spirited little center acknowledged after practice that his reputation is clouded.

"For years they said, 'He's a

loser, he's a one-way player,'" Dionne said. "But I'm a free-wheeling player. I fought for that style for years, just me and Bobby Hull at first. Now there's more motion in hockey. We didn't believe that just because you were called a left wing, you had to stay on that side of the ice. I've been through a lot. But the game hasn't changed in this respect: You still have to score."

He has persevered, and the motion style he speaks of, for now, the NHL's game. It synthesized European hockey with the Canadian style, and took something from the Americans at Lake Placid in 1980.

Still, that cloud of being a loser bothers Dionne. In his 13 seasons, he has played on only four winning teams—once with Detroit in four campaigns, and three in his nine seasons with the Kings.

Even his coach, the plain-spoken Pat Quinn, was a skeptic when he took over the club this season. Quinn had faced Dionne many times, first as a defenseman on the rowdy Flyer teams of the Broad Street Bullies era, and then as the Flyer coach.

"Before I went out to L.A.," Quinn said, "I thought he was a one-way player with no 'D.' But I find that, as players, we like to find things in other guys' armor, so we said those things. Yet, he may be the leading scorer in the history of hockey by the time he's through."

"I know what Pat Quinn heard

about me when he was with Philly—that I was a one-way player," said Dionne. "They gave me cheap shots. But I came up with Guy Lafleur, and now he's gone. All the small guys are gone—Henri Richard, Dave Keon, Yvan Cournoyer. I'm short, but I'm 190 pounds."

Quinn concedes that the Kings have been one of those fearless teams that dot the sports landscape: A team without character, without an identity. They are winning this season, following three straight losing years.

"I approached everything here on a team basis because of my preconception that they were a bunch of individuals and we needed the collective goal towards a victory," Quinn said.

He says he has not asked Dionne to change his style.

"We wanted to come up with a system of play that wouldn't stifle his immense offensive skills, and yet still get him in the defense," Quinn said.

The result has been keeping Dionne "low" in the defensive zone, that is, near his goalie. His job is to help out—swat away the puck, or chase it behind the net, or get it out of trouble by starting an offensive thrust.

To Dionne, the work ethic has kept him around. It allowed him to survive losing seasons that followed one after another, and the frustration of never really being acknowledged for his special skills. He also was a pioneer in



The New York Times

1975 when he became one of the first hockey free agents after a contract dispute with the Red Wings.

"Gordie Howe was once asked about someone," said Dionne. "How said, 'Let's see what he does after five years.' That's what I'm proudest of. Being consistent. Every game I come out, I'm prepared for. Even when I was losing for years, I was prepared."

He wonders whether the current crop of Kings is prepared. "This is what we have to find out," he said. "They look at me working so hard, I wonder what

Flyers Down Flames for 7th Straight

Los Angeles Times Service

PHILADELPHIA — Shortly before the All-Star break it was freely predicted that the Washington Capitals would challenge the Edmonton Oilers in the championship.

NHL FOCUS

ship round of the Stanley Cup competition.

The Philadelphia Flyers were just about the only dissenters and eventuality were protesting in a heavily audible voice. But now, the Flyers are ready to shout from the rooftops that they are a solid contender in the National Hockey League.

Another splendid goaltending performance by Pelle Lindbergh Sunday night enabled the Flyers to beat Calgary, 4-1, for their seventh consecutive victory.

Lindbergh, given a cushion with

first-period goals by Brian Propp and Ron Sutter, turned aside 31 shots by the Flames. He lost a shut-out when Lanny McDonald scored near the middle of the second period.

In other NHL games Sunday, it was St. Louis 3, Hartford 2; Chicago 3, Detroit 2; Los Angeles 4, Buffalo 2, and Montreal 4, the New York Islanders 3.

Going into their game with the Capitals at Landover, Maryland, on Feb. 9, the Flyers were in second place in the tough Patrick Division, 11 points behind the Capitals.

In that game, Tim Kerr scored four times, the Flyers eked out a 5-4 victory and they were on a streak. They have won all four games since the All-Star game and have pulled within two points of the Capitals. Moreover, the Capitals have played two more games than the Flyers.

"The victory tonight was just what we needed to send us out on the road," Coach Mike Keenan said. "We play our next five games on the road, then return home for the first of back-to-back games with the Capitals. By the night of March 8 we should know what our chances are of winning the division."

"Winning the division isn't a must," he said, "but it would give us an advantage in the playoffs. We are playing winning hockey and that's what's really important. Pelle just keeps playing better and better."

Lindbergh has been in the nets for six of the seven victories in the streak. His 28 victories leads all goalies in the league. With the Flyers' number two goalie, Bob Froese, recovered from injuries, the team appears set for the stretch drive.

Abdul-Jabbar Leads Lakers in Victory

The Associated Press

NEW YORK — As far as Magic Johnson is concerned, Kareem Abdul-Jabbar is nowhere close to being ready to retire.

"He can play as long as he wants to and do what he wants to," Johnson said Sunday after Abdul-Jabbar scored 39 points, one short of



The 76ers' Moses Malone (2) goes high to knock away a shot by Fred Roberts of the Utah Jazz in NBA action in Philadelphia. The Sixers defeated the Jazz, 117-108.

NBA FOCUS

his season high, to lead the Los Angeles Lakers to a 119-114 National Basketball Association victory over the New York Knicks.

"He's in great condition and has a super attitude," Johnson said.

Abdul-Jabbar, the NBA's oldest player at 37, was expected to retire after this season until he signed a one-year contract extension. On Sunday, he looked anything but ready for a rocking chair as he poured in 29 points after halftime.

"Obviously, we went to him in the second half," said Johnson, who has 19 points and 11 assists. "When the big man gets going, then everyone gets going. He makes everybody play better."

In other NBA games, it was Philadelphia 117, Utah 108; Boston 113, Indiana 100; Portland 137, San Antonio 121; Denver 117, Phoenix 107, and Seattle 108, the Los Angeles Clippers 102.

Despite Abdul-Jabbar's heroics and New York's 19-38 record, the Knicks kept the game close thanks to the efforts of Bernard King, Darrell Walker and their pressure defense.

"Their press gave us trouble until we slowed it down and went to Kareem," Coach Pat Riley said. "That was the turning point."

"New York came at us with their defense and played a great game, but we were able to match their effort," said Abdul-Jabbar, who hit 16 of his 22 field-goal attempts and also had 10 rebounds.

King, the NBA's scoring leader, matched Abdul-Jabbar with 39 points, while Walker had 24 points, nine rebounds and eight assists.

"King was unstoppable," Riley said. "Before the game, we talked about how we could win the game if he scored 50 points."

While four different Lakers tried to guard King, the 7-foot-2 (2.18-meter) Abdul-Jabbar hobbled New York's Ken Bannister and James Babb, both 6-foot-9.

"Give Kareem a lot of credit," the Knicks' coach, Hubie Brown, said. "When we got a four-point lead, he was the individual that got it done."

Panel Reduces Fine on Ickx

Compiled by Our Staff From Dispatches

PARIS — Auto racing's world governing body, FISA, on Monday reduced a fine imposed on Jackie Ickx, the Monaco Grand Prix race director, for halting the Formula One race in heavy rain last June.

FISA's appeals committee reduced the fine from \$6,000 to \$2,000 but retained Ickx's suspension from acting as a Grand Prix race director, a FISA statement said.

Ickx, of Belgium, a former Formula One driver who still competes in endurance races, ordered the Monaco Grand Prix stopped halfway through the race just as Alain

Prost of France was about to lose the lead in torrential rain.

FISA fined and suspended Ickx last July for exceeding his authority as race director.

The tribunal, which met on Feb. 20-21, said Ickx was correct to stop the race with a red flag, but should have asked the stewards about the checked flag. They theoretically could have ordered the race restarted if conditions improved.

The court judgment said Ickx admitted the fault, and they thus reduced his fine but maintained the suspension. FISA will have its own race directors for all Grand Prix events starting this season.

(UPI, AP)

SCOREBOARD

Hockey

NHL Standings

W	L	T	Pts	GF	GA
Washington	34	16	81	255	181
Philadelphia	34	16	79	254	181
N.Y. Islanders	32	24	68	240	240
N.Y. Rangers	30	30	49	219	244
Pittsburgh	28	32	45	205	271
New Jersey	28	32	44	209	244
Edmonton	31	27	72	238	206
Calgary	28	30	72	216	173
Quebec	30	24	68	255	226
San Jose	26	34	60	218	214
Hartford	26	32	47	205	265

CAMPBELL CONFERENCE

W	L	T	Pts
St. Louis	29	21	10
Chicago	28	24	4
Detroit	18	33	11
Minnesota	17	33	11
Toronto	15	35	7
St. Paul	14	36	10
Winnipeg	13	37	9
Los Angeles	12	38	8
Vancouver	11	39	7

SUNDAY'S RESULTS

St. Louis 1, Hartford 3-2	Chicago 1, Detroit 1-0
Winnipeg 1, St. Paul 1-0	Los Angeles 1, Vancouver 1-0
Minnesota 1, Toronto 1-0	San Jose 1, St. Louis 1-0
Calgary 1, Edmonton 1-0	Philadelphia 1, New Jersey 1-0
Pittsburgh 1, New York Rangers 1-0	Washington 1, New York Islanders 1-0

Golf

The Players and winners in the Doral Open Golf Tournament, which concluded Sunday at the Doral Golf and Country Club in Miami.

Mark McCumber, 57,000	70-71-72-73-288
Tommy Green, 56,000	71-72-73-289
Jack Nicklaus, 55,000	70-71-72-287
Lee Trevino, 54,000	70-71-72-288
Jack Nicklaus, 53,000	70-71-72-288
Tommy Green, 52,000	70-71-72-288
Lee Trevino, 51,000	70-71-72-288
Jack Nicklaus, 50,000	70-71-72-288
Tommy Green, 49,000	70-71-72-288
Lee Trevino, 48,000	70-71-72-288
Jack Nicklaus, 47,000	70-71-72-288
Tommy Green, 46,000	70-71-72-288
Lee Trevino, 45,000	70-71-72-288
Jack Nicklaus, 44,000	70-71-72-288
Tommy Green, 43,000	70-71-72-288
Lee Trevino, 42,000	70-71-72-288
Jack Nicklaus, 41,000	70-71-72-288
Tommy Green, 40,000	70-71-72-288
Lee Trevino, 39,000	70-71-72-288
Jack Nicklaus, 38,000	70-71-72-288
Tommy Green, 37,000	70-71-72-288
Lee Trevino, 36,000	70-71-72-288
Jack Nicklaus, 35,000	70-71-72-288
Tommy Green, 34,000	70-71-72-288
Lee Trevino, 33,000	70-71-72-288
Jack Nicklaus, 32,000	70-71-72-288
Tommy Green, 31,000	70-71-72-288
Lee Trevino, 30,000	70-71-72-288
Jack Nicklaus, 29,000	70-71-72-288
Tommy Green, 28,000	70-71-72-288
Lee Trevino, 27,000	70-71-72-288
Jack Nicklaus, 26,000	70-71-72-288
Tommy Green, 25,000	70-71-72-288
Lee Trevino, 24,000	70-71-72-288
Jack Nicklaus, 23,000	70-71-72-288
Tommy Green, 22,000	70-71-72-288
Lee Trevino, 21,000	70-71-72-288
Jack Nicklaus, 20,000	70-71-72-288
Tommy Green, 19,000	70-71-72-288
Lee Trevino, 18,000	70-71-72-288
Jack Nicklaus, 17,000	70-71-72-288
Tommy Green, 16,000	70-71-72-288
Lee Trevino, 15,000	70-71-72-288
Jack Nicklaus, 14,000	70-71-72-288
Tommy Green, 13,000	70-71-72-288
Lee Trevino, 12,000	70-71-72-288
Jack Nicklaus, 11,000	70-71-72-288
Tommy Green, 10,000	70-71-72-288
Lee Trevino, 9,000	70-71-72-288
Jack Nicklaus, 8,000	70-71-72-288
Tommy Green, 7,000	70-71-72-288
Lee Trevino, 6,000	70-71-72-288
Jack Nicklaus, 5,000	70-71-72-288
Tommy Green, 4,000	70-71-72-288
Lee Trevino, 3,000	70-71-72-288
Jack Nicklaus, 2,000	70-71-72-288
Tommy Green, 1,000	70-71-72-288
Lee Trevino, 0	70-71-72-288

Selected U.S. College Conference Standings

W	L	T	Pts
St. John's	14	8	100
Georgetown	12	10	82
Syracuse	8	6	57
Villanova	8	6	57
Pittsburgh	7	7	58
Booster Club	7	7	57
Connecticut	5	9	35
Providence	3	12	10
Seton Hall	2	14	9
St. Bonaventure	1	15	2
Penn St.	1	15	2
Rhode Island	1	15	2

BIG EAST

W	L	T	Pts
St. John's	14	8	100
Georgetown	12	10	82
Syracuse	8	6	57
Villanova	8	6	57
Pittsburgh	7	7	58
Booster Club	7	7	57
Connecticut	5	9	35
Providence	3	12	10
Seton Hall	2	14	9
St. Bonaventure	1	15	2
Penn St.	1	15	2
Rhode Island	1	15	2

ATLANTIC

W	L	T	Pts
St. John's	14	8	100
Georgetown	12	10	82
Syracuse	8	6	57
Villanova	8	6	57
Pittsburgh	7	7	58
Booster Club	7	7	57
Connecticut	5	9	35
Providence	3	12	10
Seton Hall	2	14	9
St. Bonaventure	1	15	2
Penn St.	1	15	2
Rhode Island	1	15	2

SOUTHEAST

W	L	T	Pts
St. John's	14	8	100
Georgetown	12	10	82
Syracuse	8	6	57
Villanova	8	6	57
Pittsburgh	7	7	58
Booster Club	7	7	57
Connecticut	5	9	35
Providence	3	12	10
Seton Hall	2	14	9
St. Bonaventure	1	15	2
Penn St.	1	15	2
Rhode Island	1	15	2

SUM BELT

W	L	T	Pts
St. John's	14	8	100
Georgetown	12	10	82
Syracuse	8	6	57
Villanova	8	6	57
Pittsburgh	7	7	58
Booster Club	7	7	57
Connecticut	5	9	35
Providence	3	12	10
Seton Hall	2	14	9
St. Bonaventure	1	15	2
Penn St.	1	15	2
Rhode Island	1	15	2

Basketball

U.S. College Results

St. John's 77, Georgetown 70	Syracuse 77, Villanova 70
Pittsburgh 77, Booster Club 70	Connecticut 77, Providence 70
Seton Hall 77, St. Bonaventure 70	Penn St. 77, Rhode Island 70

MISSOURI VALLEY

W	L	T	Pts
St. John's	14	8	100
Georgetown	12	10	82
Syracuse	8	6	57
Villanova	8	6	57
Pittsburgh	7	7	58
Booster Club	7	7	57
Connecticut	5	9	35
Providence	3	12	10
Seton Hall	2	14	9
St. Bonaventure	1	15	2
Penn St.	1	15	2
Rhode Island	1	15	2

PACIFIC COAST ATHLETIC

W	L	T	Pts
St. John's	14	8	100
Georgetown	12	10	82
Syracuse	8	6	57
Villanova	8	6	57
Pittsburgh	7	7	58
Booster Club	7	7	57
Connecticut	5	9	35
Providence	3	12	10
Seton Hall	2	14	9
St. Bonaventure	1	15	2
Penn St.	1	15	2
Rhode Island	1	15	2

WEST COAST ATHLETIC

W	L	T	Pts
St. John's	14	8	100
Georgetown	12	10	82
Syracuse	8	6	57
Villanova	8	6	57
Pittsburgh	7	7	58
Booster Club	7	7	57
Connecticut	5	9	35
Providence	3	12	10
Seton Hall	2	14	9
St. Bonaventure	1	15	2
Penn St.	1	15	2
Rhode Island	1	15	2

WESTERN ATHLETIC

W	L	T	Pts
St. John's	14	8	100
Georgetown	12	10	82
Syracuse	8	6	57
Villanova	8	6	57
Pittsburgh	7	7	58
Booster Club	7	7	57
Connecticut	5	9	35
Providence	3	12	10
Seton Hall	2	14	9</

A Heavenly Funeral

Deux Magots Building Will Be Sold in Paris

“Sending Uncle Sidney up into orbit is costing me more than I can afford on.”

“But it’s worth it. Every time you look up to the heavens, you will see your Uncle Sidney and know he is smiling down on you because you took him first class.”

The Controversial Company of Wolves

believes the image of wolves is changing. "The hatred of wolves was more true in the past," he said. "In the past 20 years, the role of predators has become better understood in our country, and a lot of people now see the wolf as a symbol of wilderness that ought to be saved."



Before they were all but eradicated by settlers, wolves ranged through most of North America and Mexico. In the United States, remaining packs are confined to northern Minnesota, where 800 to 1,200 are believed to roam, and to Alaska.

20,000 elk entirely within the park, it has 2,000 bison, it has several thousand mule deer, and Joe Helle says the niche is gone! Where the wolf's niche is gone is in eastern Wyoming and eastern Montana where the bison were exterminated and where the cattle now are — not in Yellowstone."

Lyubimov: Stage Center

my's mother, Anne Nicholson, mistress of the seventh Earl. Tommy and his mother had lived with Craven on his family's 10,000-acre (4,170-hectare) estate in Berkshire, west of London, until they split up shortly before the earl shot himself to death. After blood tests demanded by the family indicated Tommy was the earl's son, it was agreed he should inherit his father's personal estate.

John Lennon's widow, Yoko Ono, and former Beatles George Harrison and Ringo Starr have filed an \$8.6-million lawsuit against Paul McCartney alleging breach of contract, the Sunday Mirror of London reported. The suit, filed in New York, said McCartney earns more royalties from the Beatles' hits than the other former Beatles. The Mirror said McCartney earns more royalties from the Beatles' hits than the other former Beatles. The Mirror said The paper quoted Bob O'Neill, legal spokesman for Capitol-EMI Records, as saying McCartney's extra money came from the record company's cut and did not affect the other Beatles' shares, the paper said.

INTERNATIONAL CLASSIFIED

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